

COMMUNITY CONNECTION

Spring 2023

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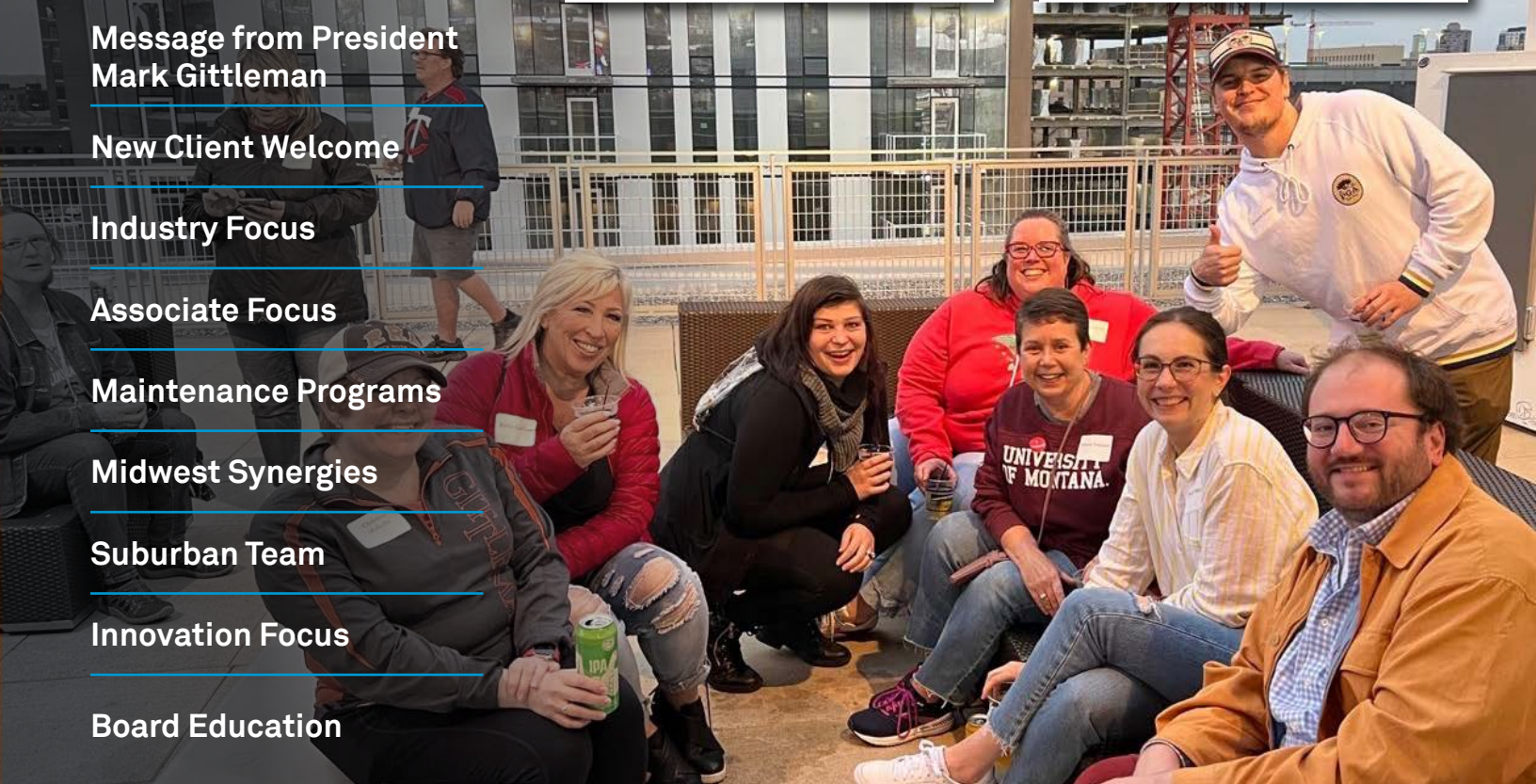
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FirstService Residential Minnesota President

Dear Valued Client,

Our ability to provide best-in-class community association management services relies on the amazing contributions of our dedicated team members. To celebrate their accomplishments, we recently held a company meeting where we announced the winners of our annual recognition awards. These talented individuals are showcased herein.

We also rely heavily on an extensive list of trusted vendor partners to serve your associations. In this issue, we are pleased to feature an article all about irrigation that was penned by Village Green Landscapes and our own Jeff Peterson, Regional Director. You'll also find an informative article about recurring maintenance programs available through Gittleman Construction & Maintenance with a convenient checklist tool for reference.

There's also a special feature highlighting our Suburban Property Management Team, which continues to earn new property assignments. Most recently, Capstone Homes selected us as the primary management partner for their suburban communities. Thank you to our growing family of clients.

In the spirit of continuous improvement, we are excited to launch a new technology platform known as HODA. Powered by artificial intelligence, HODA is a 24/7 text-based communication tool that will respond to homeowner inquiries automatically via text. Currently in the pilot phase, our goal is for HODA to become an indispensable resource for you, our valued homeowners.

Respectfully,



Mark Gittleman
President
FirstService Residential Minnesota



Mark Gittleman,
President
FirstService Residential Minnesota

SOCIAL

COMPANY OUTING

We recently hosted a company outing at a Twins game for all Minnesota employees. It was a wonderful opportunity to thank all of our team members for their hard work and to have some fun cheering on the Twins. We hope you enjoy the photos.



New Client WELCOME

Welcome Capstone

We are thrilled to welcome Capstone Homes and their amazing communities into the FirstService Residential family!

Capstone Homes is a locally owned builder in the greater Twin Cities. As of 2022, they were recognized as one of the three largest developers in Minnesota. Capstone's mission is to build quality homes at an exceptional value, while serving and impacting the community.

Capstone is family owned and operated. They believe in treating each home and homeowner with the utmost care just like they would their own family. Our mission aligns with Capstone's, and we have built a strong relationship with the developer.

We are delighted that In 2023, Capstone chose FirstService Residential as their primary provider of association management services and we have enjoyed welcoming each new Capstone developed community into our family.

CAPSTONE — H O M E S —



LEGACY BAY | ST. MICHAEL, MN



RIVERSTONE | RAMSEY, MN



Industry FOCUS

BANKING

The Five Pillars of Banking

Managing your community's funds and maintaining the financial health of your association can be a daunting task, but it doesn't have to be.

When you partner with FirstService Financial, you get the attention to detail you need so you can worry less about the financials. You get a partner that assists with:

- **Principal Safety and Capital Preservation**
The long-term goal of safety of the funds.
- **Liquidity and Accessibility**
Funds should be readily available for projected and unexpected expenditures.
- **Return on Investment**
Funds should be invested to see the highest level of return that is consistent with preservation of principal and accumulated interest.
- **Minimal Costs**
Investment costs (fees, commissions, and other transaction costs) should be minimized or avoided altogether.
- **Multiple Solutions**
Our communities are diverse with different investing objectives and should always have options from which to choose.

Reach out to your community association manager to learn more!

INSURANCE

Minnesota #1 in Hail Claims in 2022 for State Farm

State Farm Insurance provided a recent summary of its hail claims which increased by \$1 billion from 2021 to 2022 across the U.S.

In 2022, Minnesota was the state with the highest hail claims totaling \$799 million in value.

State Farm's explanation for the sharp increase nationally is based on the claims themselves and inflation. Nationally, the number of individual hail claims increased by 45,000. Combined with supply chain driven inflation, this created the largest national year-over-year increase in State Farm's history.

This trend is indicative of the weather and inflation-driven challenges with all of the carriers. It also underlies the scarcity of new carriers entering the marketplace as well as actions by current carriers to increase both deductibles and premiums.

Associate FOCUS

FirstService Wins and Recognition

As the days get longer and the weather warmer, our team members at FirstService Residential Minnesota have a lot to celebrate (that doesn't just include the snow melt! – although that is a huge plus).

In late February, we celebrated our Annual Recognition Awards where we highlighted the fantastic associates working for FirstService Residential Minnesota. In total, we had 37 associates nominated by their peers or supervisors. We are proud to have such a strong team and celebrate the nominees and winners!

LEADERSHIP EXCELLENCE AWARD

Abbey L, Community Manager: “The leadership qualities, problem solving skills, time management skills, and the personal direction of this team all fit together perfect. I am the newest one on the team, everyone made me feel welcome, no matter what the problem is, she shines with solutions. I am so happy to nominate Abbey.”

MAKING A DIFFERENCE AWARD

Jeanne P, AP Research Coordinator: “I would like to nominate Jeanne P for the Making a Difference Award. Jeanne and I have had the (un) fortunate pleasure of working together on MANY insurance related billing issues. Through it all, Jeanne has been kind, patient, understanding, determined, and so much more to reach the end goal, which is making



Karen Stenoien
Director of Human
Resources

sure the issues are addressed as quickly as possible. She knows that our client is the biggest responsibility and with a positive can-do attitude she makes sure she does whatever is needed to get the job done. The Insurance Team is thankful to have someone like Jeanne in our corner helping us through these issues and we appreciate her so much.”

SYSTEMS CHAMPION AWARD

Jodie C, Client Accounting GL Specialist: “Jodie C is an incredible asset to the Client Accounting team and FirstService Residential MN as a whole. She embodies the Systems Champion Award. She is a system wiz. No matter what the system question is, she is always willing to help answer and explain the system process. Additionally, she has implemented extremely helpful monthly reports and smartsheets for our team over the last year. Thank you for all you do Jodie!”

TEAM IMPACT AWARD

Teshan and Jessalyn L, Resident Caretakers - Silver Lake Village Team: “Teshan and Jessalyn are the onsite caretakers for Silver Lake Village. Both Teshan and Jessalyn take extraordinary care in maintaining this sometimes challenging community. There are two buildings in this association and they maintain the cleanliness and maintenance items with utmost care. They deal with numerous inquiries from residents whether it pertains to them or not. They always respond to emergencies outside of their regular work hours, as well as vendor building access at all hours of the day. They treat everyone like family and have the most patience I wish I could ever have. They are deserving of any and all possible accolades that can be bestowed upon them for taking care of this community. I honestly don't know what this

community or I would do without them on our team. Our one goal for 2022 is to cut down on the amount of communication issues facing our residents. Through our plan for 2022, we cut all communication complaints down to zero. This shows the dedication and care they show the residents in this building on a daily basis. Their impact and proactive mindset make running this association a lot easier than it could be. Thank you Teshan and Jessalyn for the special care you show this community!"

SUPERIOR CUSTOMER SERVICE AWARD

Sydney M, Operations Supervisor: "Sydney provides astounding customer service daily to residents, vendors, and colleagues. She regularly goes beyond regular service to proactively meet a resident's needs, assist a vendor in getting information or access that is needed, and helping colleagues have a better work experience. Her can-do and let-me-help attitude is infectious and contagious. Sydney truly helps make my shift easier along with other colleagues. Her daily logs are detailed and specific, giving us easy-to-understand details to complete a task or to follow up. I've enjoyed working with Sydney from the first time that I met her."

Christine W, Association Manager: "Christine shows such empathy, dedication and care in every interaction she has with our clients. She truly cares about delivering excellent service. It is continuously evident that Christine always wants to assist the owners in whatever way possible, and that she cares about their needs and improving the communities in her portfolio. She is warm, kind, outgoing and engaging. Thank you, Christine, for always making our clients feel heard." – 1st Nomination!

"I often hear Christine on the phone with board members and homeowners. She takes her time and answers all their questions. She is proactive with her communication, often calling homeowners and board members to give them a "heads up" on a potential issue. This significantly helps the situation and her board members are well informed of the situation. She speaks or emails a particular board member every day. This board member is new and has many questions. While this can be time-consuming, Christine always sounds cheerful and extremely helpful on the phone. I'm sure her boards really appreciate all she does for them!" – 2nd Nomination!

"Christine takes the time to get to know people in the different roles within FirstService Residential. She seeks understanding of the different departments to make sure she is providing them what they need to ensure superior customer service. Christine always makes everyone feel welcome in the office and that she is glad to see them." –3rd Nomination!

Improve It Nominations

Additionally, we had five associates from our Minnesota team nominated for our Annual Recognition Program based on one of our core values, "Improve it", including;

- Bryan V – Director of Operations
- Karen S – Director of Human Resources
- Teshan L – Resident Caretaker
- Jessalyn L – Resident Caretaker
- Veronica P – Association Manager

Great Place to Work

Finally, and perhaps the cherry on top, we celebrated achieving being certified as a Great Place To Work. We are committed to creating an outstanding experience for our associates!



As the sun shines longer and days are warmer, these past few months have definitely seen many of our team members recognized and celebrated. To further the culture of recognition, we are excited to roll out a new program, called AwardCo, that will help us dive even deeper to celebrate and recognize our team members in ways that are meaningful to them.

Cheers to the spring months!



Maintenance PROGRAMS

Recurring Maintenance Programs: A Good Fit For you?

The General Maintenance Division at Gittleman Construction & Maintenance offers a wide range of light maintenance, janitorial, landscape, and handyman services to FirstService Residential communities. These services are performed on an ad hoc basis or can be arranged through a customized recurring maintenance program. We have found this to be a great maintenance solution – especially for communities without sited staff.

So, how does it work? First, we meet with the association manager to customize a plan to address community specific maintenance needs and desires. The plan typically includes a checklist of maintenance items the association manager wants addressed and then we establish a schedule for recurring visits. The schedule could be weekly, biweekly, monthly, etc.

Then, we develop an agreement to specify the services to be performed to include duration (2, 4, 6, or 8 hours per visit), frequency (daily, weekly, biweekly, etc.), and how much it will cost (we typically discount our hourly rate for recurring maintenance contracts). It's simple, it's affordable, and it's effective.

The benefits of having a recurring maintenance program include:

- A reduction in the number of routine maintenance requests coming from residents – which saves time for the association manager and lightens an association manager's workload.

- Peace of mind for the association manager in knowing there is a consistent “set of eyes” on their community.
- Continuity of maintenance service allows for greater familiarity with a community and creates the opportunity to build great relationships with residents.
- Ad hoc services are easily added on and coordinated in conjunction with the recurring program – effectively eliminating the need to generate additional work orders.
- Proactive, consistent maintenance is a key to successful, professional property management.

Lisa Murphy, an Association Manager at FirstService Residential, affirms the benefits of a recurring maintenance program in saying:

“I utilize the knowledge and skills of John Lyon of Gittleman’s General Maintenance division. John knows the community like the back of his hand and the unit owners have come to appreciate and trust John - and as a result it’s been a win-win for everyone...”

Contact Steve Pumarlo at spumarlo@gittleman.com for a no obligation consultation on how Gittleman’s General Maintenance Division can add value to your management experience.

[See page 8 for a sample weekly recurring maintenance program checklist for a condominium building.]

EXAMPLE OF A WEEKLY RECURRING MAINTENANCE PROGRAM FOR A CONDOMINIUM BUILDING

RECURRING MAINTENANCE PROGRAM CHECKLIST

INTERIOR

- ☒ Check light bulbs in all hallways and stairwells for each building and replace as necessary
- ☒ Check the Community Room for any messes; test all appliances to make sure they are in working order
- ☒ Check the Exercise Room for any messes; make sure all equipment is in working order; refill sanitizing wipes
- ☒ Check heat/air settings for proper function
- ☒ Check all common doors for proper function; tighten and adjust as necessary
- ☒ Check all emergency exit lights throughout the community and replace batteries or light bulbs as necessary
- ☒ Test all smoke detectors throughout the community and change batteries as necessary
- ☒ Clean vestibule for each building and remove any extra papers

GARAGE

- ☒ Check all trash rooms and mop, deodorize, and wipe down doors
- ☒ Check and replace light bulbs as necessary
- ☒ Check floor drains in the garage, clean as necessary and replace covers as necessary
- ☒ Check all carbon monoxide detectors in the garage area and replace batteries as necessary
- ☒ Check car wash area; sweep and clean with water as necessary
- ☒ Check that the thermostat is set properly and change batteries as necessary

EXTERIOR

- ☒ Check and replace all light bulbs as necessary
- ☒ Wash all metal doors
- ☒ Move packages inside
- ☒ Check photo eye settings
- ☒ Check that all keys are in lockboxes
- ☒ Check all exterior spigots and handles and repair as needed
- ☒ Wash entry sidewalks
- ☒ Clean up dog station, empty waste station, replace liners and bags
- ☒ Check weather stripping around doors and repair or replace as necessary

Midwest SYNERGIES

Midwest Synergies

Over the last five months I have had the pleasure of working more closely with Mark Gittleman and our Minnesota Leadership team. I continue to be amazed by the professionalism, desire to innovate, and passion to deliver exceptional service to our clients. As the President of the FirstService Residential market in Illinois for the last decade, I know well that Minnesota associates have long been recognized as industry leaders, and that reputation spans across North America.



**Asa Sherwood, PCAM,
AMS, CMCA**
President, Midwest

In my new role as President, Midwest, I am focused on better sharing our internal knowledge and best practices. Our teams across the Midwest experience similar challenges. As the market leader in Illinois, Missouri, and Minnesota, we are now better positioned to address those challenges by leveraging our experience and points of view across our respective markets. We are excited about working together to solve challenges faster and innovate together to improve work/life balance for our associates, while enhancing the resident experience in the communities we serve.

On a personal note, I grew up in metro Detroit, where my parents still reside today. I grew up in the Community Association Management industry and followed in my father's footsteps when I chose this as my career. My in-laws are long-time residents of Stillwater, Minnesota, so we have spent considerable time enjoying all the great things Minnesota has to offer.

I look forward to the opportunity to work alongside our Minnesota leadership team, as we seek to continually improve the service we deliver, while being the absolute best place to work for our associates.



Asa Sherwood & Mark Gittleman at Twins Game Outing

Suburban TEAM



Suburban Property Management Team: Delivering Value for Our Clients

Under the direction of Shaun Zavadsky, Vice President – Community Management, our Suburban Property Management Team currently manages 403 community associations, representing over 50,000 homes. The communities encompass townhomes, single-family homes, low-rise condominium projects, and many master-planned communities.

Over the next 60 days, we are proud to be adding another 20+ homeowner associations to our managed portfolio.

The growth FirstService Residential has experienced in the suburban Twin Cities marketplace requires a cross-functional team empowered to deliver results! We currently have 123 professionals on the Suburban Property Management Team – all committed to providing a first-class experience for our clients. Supported by six Regional Directors, our team consists of Community Managers, Resident Support Specialists, Accountants, Insurance Specialists and many other associates that support the Suburban team.

What Our Clients Have to Say

FirstService Residential routinely surveys our clients to help measure our service delivery platform. Below is some of the recent feedback we've received:

- Excellent service, responses, and oversight. [Townhome Community]
- FirstService has all the management and financial tools any association needs. [Townhome Community]
- They have done a great, professional job supporting our Association. [Single-Family/Villa Community]
- They provide excellent advice on service options. They keep us organized and respond to issues efficiently. [Townhome Community]

What Our Team Members Have to Say

We recently asked members of the Suburban Property Management Team what they like best about working in the community management industry. Here are some highlights:

- I love that it is challenging, I am always learning new things, and I am never bored. [Erin J.]
- We have the opportunity to build close relationships with our clients and make a tangible difference for the properties we manage. [Steven S.]
- I like problem solving and doing my best to help make the communities I manage a great place for the residents! [Erin B.]
- I love the variety and all the different hats we get to wear. There is truly never a dull moment. [Heidi C.]

FIRSTSERVICE RESIDENTIAL MINNESOTA SUBURBAN DIVISION – BY THE NUMBERS

403 Associations Managed	50,000+ Units Managed	2,000+ Volunteer Board Members	5,000+ Financial Reports Produced in 2022	2,500+ Board Packets Created in 2022	32,000+ Homeowner Inquiries Solved in 2022
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Innovation FOCUS



New Technology Platform to Enhance Response Times

FirstService Residential is constantly seeking opportunities to enhance our service delivery platform. Specifically, we believe a new technological initiative will allow us to increase our homeowner response time, which is key to exceptional customer satisfaction. To that end, we are excited to announce that the Minnesota office of FirstService Residential is leading a pilot program launching **HODA**, a new Homeowner Digital Assistant.

HODA builds on our omnichannel approach, which recognizes individual styles and provides homeowners with a variety of communication methods – all yielding a consistent customer experience with FirstService Residential.

Powered by artificial intelligence, HODA is a 24/7 text-based communication tool that responds to resident inquiries automatically via text in partnership with our **Resident Support Services** team.

Want to know how many pets your association allows per homeowner? Text HODA.

What day of the week is trash pick-up at your community? Ask HODA.

How much is your monthly association fee? HODA will know.

HODA is integrated with the **FirstService Residential Connect™** portal so residents can easily obtain detailed information pertaining to their association, such as their account balance, service request status, application status, amenity reservations, and much more. In those select instances where HODA is unable to satisfactorily respond, the homeowner's inquiry will be escalated to our Resident Support Services team for follow-up during normal business hours.

Designed for use across our suburban portfolio where staff isn't available on-site to address resident inquiries, HODA offers an interactive interface providing a responsive, non-emergency communication channel for community associations. Homeowners will benefit from the wealth of information immediately available at their fingertips – it's as easy as texting a friend.

(Please Note: After-hours emergencies should continue to be called in to our Customer Care Center at 952.277.2700.)

This smart technology platform will also provide support to FirstService Residential's community managers by reducing the amount of time they spend responding to homeowner inquiries. Instead, managers will be able to focus on board priorities and proactively managing your communities.

Coming Soon to Your Community

If your association has already been enrolled in the HODA pilot program, please take advantage of this new technology by texting HODA with your questions. Otherwise, watch for instructions on how to access HODA as we roll out the new technology to associations across our Minnesota managed portfolio in the weeks and months ahead.

Further, please stay tuned as FirstService Residential introduces additional software enhancements later this year to create an improved communications channel between homeowners and boards/committees and facilitate various approval processes. We are committed to leveraging technology wherever possible to best serve you, our valued homeowners.

Board EDUCATION

Irrigation – Insights & Considerations

We all have visions of grandeur when it comes to wanting luxury-type fairway grass in the yards around our homes. Achieving that level of luxury turf is very expensive, however, and requires a high level of maintenance. Golf courses pay professionals to maintain their turf every day, all day long. Most associations throughout Minnesota prefer a more reasonable approach when it comes to turf maintenance. The basics are:

- Weed and fertilization treatments, including spring pre-emergent and fall winterizer fertilization.
- Weekly mowing at 3.5" or higher (skip mowing during drought conditions to prevent turf damage).
- Spring and fall clean-up.
- And last but not least, **IRRIGATION**.

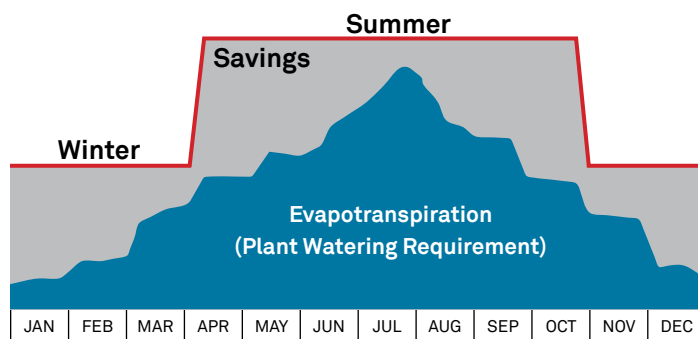
Many associations have irrigation systems - both for common areas (maintained by the association) and homeowner lawns (may or may not be maintained by the association). In the "good ol' days" irrigation systems were set to run 25 minutes per zone every day, rain or shine. No further thought was given to them other than to replace the occasional broken head, identified by water shooting straight into the air.

Nowadays, irrigation is a well-planned amenity that is becoming more and more controlled and regulated due to dry summers and an intentional effort to conserve the natural resource, H₂O! As a result, water has become more expensive. Some associations have had double or triple the normal water bill in recent years due to the near-drought conditions. They are aggressively pursuing ways to reduce irrigation usage to help control water costs. Some cities have also started blocking multi-family developments from city supplied irrigation water or are allowing associations to water only a few times per week.

The spring start-up will help to ensure that your system is running as efficiently as possible. Perform irrigation system maintenance to:

- Confirm there is no water usage when the system is not running and that no heads are seeping and/or losing water above ground.
- Set irrigation heads to water the turf and not the roads. Proper adjustment is critical.
- Install/replace rain sensors to ensure over-watering/waste does not occur.
- Adjust system controllers to run according to the season (temperature) and local requirements.

In the past, irrigation systems ran too much in the spring and fall but did well during hot days in July and August. The preferred method for efficient and accurate watering is to perform monthly inspections to ensure systems are working correctly. Run time adjustments are critical; as the weather warms up, turf will require more water. Most manufacturers now offer Wi-Fi enabled controllers for ease of use. Hunter Industries, for example, offers a controller that receives daily weather updates and adjusts the run accordingly. It will not run when rain is forecasted or when the temperature approaches freezing. The image below shows the efficiency of a modern controller.



[READ MORE](#)

YOUR FIRSTSERVICE RESIDENTIAL MINNESOTA TEAM

OVER 80 YEARS OF MINNESOTA PROPERTY MANAGEMENT EXPERIENCE.

Our team is committed to serving your association with excellence, striving to enhance your property values and enrich the lifestyle of your residents.



8100 Old Cedar Avenue South, Suite 300 | Bloomington, MN 55425
Phone: 952.277.2700 | Fax: 952.277.2739 | [FSRESIDENTIAL.COM/MINNESOTA](https://fsresidential.com/minnesota)



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