



# COMMUNITY CONNECTION

FALL 2022

## *Inside* **THIS ISSUE**

Message from President  
Mark Gittleman

---

Board Education

---

Insurance Update

---

Associate Focus

---

Social Purpose

---

Your FirstService  
Residential Team

---



HOA COMMITTEES 101



MEET THE HR TEAM



SUMMER OF SERVICE



# FirstService Residential Minnesota President

*Dear valued client,*

In this edition of Community Connection, you will gain some valuable insight on the roles of committees, their responsibilities and how your HOA board can benefit from them. Advisory committees can go a long way in helping your community thrive by further engaging residents in community life and governance. So it's important to know how to manage committees effectively.

Also in this issue, an important update on the homeowner association property insurance marketplace along with recommendations on anticipating and mitigating property insurance premium increases.

In our Associate Focus, Karen Stenoien, Director of Human Resources, provides a behind the scenes look at how our HR team makes a difference, every day, for our associates through invaluable support.

You'll also learn about the work FirstService Residential did throughout the summer and continues to do into the fall to make a difference in the broader community.

Yours truly,



Mark Gittleman  
President  
FirstService Residential Minnesota



**Mark Gittleman,**  
**President**  
FirstService Residential Minnesota

## WEBINAR

### **EFFECTIVE BOARD LEADERSHIP**

Are you a new board member?  
Or just in need of a refresher  
on board basics? We've got you  
covered! Back by popular demand  
- our Effective Board Leadership  
webinar series!

Join us on Wednesday  
November 16 at 1 p.m. for an  
exclusive training webinar.  
Experts will discuss key areas  
that impact Effective Board  
Leadership such as improving  
communication, understanding  
roles & responsibilities, and  
facilitating efficient meetings.

Register [HERE](#)

# Board EDUCATION

## HOA Committees 101

### Different committees and their responsibilities

“Success by committee” is a common expression, but do you know how committees help homeowners association (HOA) boards achieve success? HOA committees are integral in assisting boards with everything from operations to finance, and they can help boards by taking on tasks and freeing up members’ time. Committees make significant improvements, helping the community thrive. Let’s explore the ins and outs of HOA committees, how they are formed, what type of community business they handle and examples of HOA committees.

While some board members are elected to their roles with the professional knowledge and/or previous association board experience they need to perform successfully, others have little or no knowledge or training in HOA governance. But no matter their prior experience, they must juggle their HOA board responsibilities with obligations to their families, jobs, hobbies, civic involvement and other personal interests and responsibilities.

HOAs hire property management companies to handle their community’s day-to-day operations and management responsibilities, under their direction. When communities are professionally managed, board members still play a role in dealing with ongoing community issues that need to be addressed, as well as one-off issues that arise throughout the year. That’s where advisory committees come in – helping board members by providing a good perspective and understanding of the topic at hand.

In addition to providing valuable assistance to the association board, committees also involve more shareholders with personal experience in

the governance process, resulting in a stronger, more involved community. As a bonus, they provide committee members with valuable HOA governance, making them a hands-on training ground for new community leaders. Not to mention, more residents are able to get involved in their community and make a positive difference that all residents can benefit from.

Effective committees can be your community’s lifeline, so if you need a helping hand, consult with a seasoned board member or your association manager for guidance. We’ve also put together some basic facts and guidelines on committees to help. Ready to position your board for success by committee?

**[READ ON](#)** to find out what committees are and what they do, how they are formed and some common best practices.



Missed our latest webinar on Outdoor Services: Snow Removal and Tree Health, held on October 18? Visit our webinar library [HERE](#) to view it and other past webinars including EV Charging and Budgeting.



# Insurance UPDATE

As a Board member, do you have a knowledge of basic insurance terms, the current property insurance marketplace, and insurance trends to help think through your next property insurance renewal?

## Insurance Terms

When you receive your insurance renewal proposals each year, you may see some terms that you are not familiar with. Please find a link [HERE](#) to these terms which we prepared for our 2022 Board insurance seminar for easy access for all Board members to assist you.

## Minnesota Market

In the last few years, insurable losses have been acute in the Twin Cities townhome association marketplace, primarily from successive years of large damaging hailstorms. These recurring weather-driven events have resulted in several carriers changing policies to mitigate their risk exposure on large claim losses. In addition to premium increases, policy changes have included higher deductibles on a per building basis for townhome associations, and exclusions related to matching if there is only partial damage to insured elements such as roofs, siding, and windows.

Carriers have also become more conservative about insurance rates and underwriting guidelines for buildings with older critical building components such as roofs, plumbing and HVAC systems due to losses related to failure of older building infrastructure.

Interior water losses have had a significant impact on insurance coverage for condominium buildings nationwide with a shift by carriers to deductibles per

dwelling unit for water losses rather than a single deductible for the entirety of the loss.

## Claims on the Rise Nationally

In the last few years, claims across the US have been on a tear. 2021 saw \$270B in total losses, of which \$111B were insured losses. The \$111B was the fourth highest payout since the industry began tracking it in 1970. In comparison, losses in 2020 were \$99B; in 2019 we saw over \$71B in total insured losses; \$93B in losses in 2018; and \$100B in 2017. The single largest loss in 2021 was due to Hurricane Ida, which alone resulted in \$36B in insured losses. Of the \$270B in total loss worldwide, \$148B were in North America. In the U.S. we had a total of \$23B economic loss events—the second year in a row with at least 20 such occurrences and only the third time on record (2017, 2020, 2021). Insured losses were 108% higher than average (\$44 billion) and 227% higher than the median (\$28 billion). The U.S., which boasts the most robust insurance industry in the world, accounted for 71% of the global insured losses. It was the second year in a row that it topped 70%.

All of this has put pressure on insurance carriers' liabilities, underwriting discipline and pricing nationally. In 2018 carriers were paying 90 cents in claims for every premium dollar collected, which only worsened from 2019–2021, with carriers averaging 99 cents in claims for every dollar collected over that 3-year period. These loss to premium ratios are not sustainable on a long-term basis within the industry.

[READ MORE](#)



# Associate FOCUS

## HR team – Making a Difference

As the HR and Training team for FirstService Residential Minnesota, we come in as a strong team of 7 of the total 640 team members in Minnesota. Our HR and Training team has a combined 50 years of service—yes, you read that correctly—50 years of service with FirstService Residential Minnesota and Gittleman Construction and Maintenance!

Previously, HR has long been thought of as the payroll processors, file holders, process pushers, and pink slip givers. Certainly, some of those responsibilities continue to exist. But the fantastic part of the HR team is the extent to which we get to support our people and our organization, engaging with each department through a variety of moments, processes, and touchpoints— from training and development, to leave of absences and safety, to associate engagement, policy development, recruitment, compensation analysis and payroll budgets . . . The list goes on! But it is the opportunity to connect with people as individuals, providing support through what can sometimes be difficult work situations, that really makes our jobs so fulfilling.

I feel so fortunate to work with a group of HR and Training individuals who are so caring and supportive of our people and teams. As we interact with each of our associates through the variety of



**Karen Stenoien**  
Director of Human  
Resources

different topics and facets of HR, we extend that care and support. We value the uniqueness that each associate brings to FirstService Residential Minnesota as well as the uniqueness that each of us bring to the HR and Training Department. It is that individualism that presents itself in the workplace that truly makes FirstService Residential Minnesota a great place to work and keeps us moving forward



## HIRING AND RETAINING

Despite a record low unemployment rate in Minnesota and increasing pressures on the employment market, to date, our recruiting team in Minnesota has hired 160 associates 2022 at 42 different client locations. We have promoted 13 associates in 2022. We have retained 77% of our associates YTD in 2022.

and upward and continuously towards innovation.

As we continue to look forward and continue to drive improvements in the work lives of our associates, we asked our HR and Training team to answer a question related to innovation and growth: “If you could pick up a skill in an instant, what would it be?”

*“If you could pick up a skill in an instant, what would it be?”*

**Dani L** – Play the cello

**Karen S** – Become proficient with videography and/or run Ultra-Trail du Mont-Blanc

**Erin S** – Mechanic (never wants to pay to fix her car again!)

**Karla G** – Play the piano

**Kelly S** – Make homemade fresh pasta

**Amanda S** – Paint a masterpiece

**Becca D** – Learn a new language

**Betsy R** – Become a great cook



## OUR ASSOCIATE EXPERIENCE SURVEY

Each year, FirstService Residential Minnesota, as well as our other markets, conducts an engagement survey called the Associate Experience Survey. This year, we heard from a total 344 associates, our second highest of all time! Our score increased from 29.4 to 30.5. Following our survey results, we held 7 Listening Sessions attended by almost 200 associates to further dig into the feedback. Our cross-functional team will be reviewing the feedback results and making recommendations to our Executive Leadership Team for 2023 action items to drive change!





# Social PURPOSE

## Our Summer of Service

It has been a fun and event-filled summer for FirstService Minnesota Associates—supporting the communities we serve while connecting with one another! We launched our Summer of Service in June when FirstService Residential leaders from across the country met in Minnesota and packed dozens of backpacks that were donated to the Greater Twin Cities United Way. The backpacks were distributed to students in our local schools, setting them up for a successful school year with a smile on their faces.



Supporting our communities is a priority for us here in Minnesota, so we were excited to participate in this year's National Night Out. This year FirstService Minnesota Urban team partnered with the Downtown Minneapolis Neighborhood Association (DMNA) to sponsor an event in The Commons Park, bringing together people with food, fun, and music. The goal of the event was to strengthen the relationship between neighbors and local law enforcement to and to continue to build safer communities. Our Suburban team got into the spirit as well with a wonderful event at Parker's Lake in Plymouth, MN. We partnered with Shenandoah Apartments, with food trucks, face painting, and balloon animals, building camaraderie and community.

One of our most rewarding service events of the summer was the Emotions in Motion Run/Walk for Mental Health. Despite the pouring rain, both onsite and corporate FirstService Minnesota associates met to walk and run, raising over \$1700.00!



Funds raised from the event benefited SAVE (Suicide Awareness Voices of Education), an organization dedicated to education and support to raise awareness around suicide prevention.

This year again, we have partnered with Habitat for Humanity for two new home builds. For our first build in August, FirstService Minnesota worked with Paul Davis Restoration on a home in Richfield, Minnesota. Our second build, in partnership with Gittleman Construction, took place on October 7.

**We also supported two Habitat for Humanity Builds. The first one on August 31 in partnership with Paul Davis Restoration and the second on October 7 in partnership with Gittleman Construction & Maintenance.**

Finally, we continued our Grants for Community Excellence program in partnership with the Minneapolis Foundation for the tenth year providing grants to non profit organizations in the communities we serve. This years grants totaling \$25,000 included Habitat for Humanity, Mill City Farmer's Market, the YWCA Food and Supplies Distribution, the Loppet Foundation, and neighborhood associations Downtown, in the North Loop, Loring Park and Mears Park.

Our Summer and fall of Service may be drawing to a close, but our efforts to support and strengthen our communities, both financially and through sweat equity, has been and continues to be a priority for us. Stay tuned for more to come.



We also found time for some fun! In June, associates were treated to an outing to a MN Twins game- sponsored by Gittleman Construction & Maintenance and Gavnat Public Adjusters. An afternoon of baseball and bonding was just what we needed to get us excited for the many service activities we had planned for the summer. In August we were again a sponsor for the CAI Golf Tournament. FirstService Leaders and Property Managers volunteered to make the event a tremendous success, and our golf foursome took second in the tournament (just wait until next year)! And we wrapped-up the season with a summer party for corporate associates at Smack Shack in Bloomington. After a very busy summer of capital projects and service activities, it was great to get together to unwind and reminisce about the wonderful opportunities we had to #firstserveothers and to look forward to our Fall service events (and to budget season- but that's a whole different story).



# 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)



**LIKE US ON FACEBOOK**  
FirstService Residential Minnesota



**SUBSCRIBE TO OUR YOUTUBE CHANNEL**  
FirstService Residential Minnesota



**CONNECT WITH US ON LINKEDIN**  
FirstService Residential Minnesota



**FirstService**  
RESIDENTIAL