

WHAT'S SO SPECIAL ABOUT JANUARY 1ST ANYWAY?

by Richard Pitrowski LPCS, CCLA, CMCA, AMS

Have you ever asked yourself why most community association management contracts start on January 1st and expire on December 31st? What is so darn magical about the almighty calendar year anyway?

Ask yourself this, do you really want to do all the research and then start interviewing potential management companies at the same time we are holding budget meetings, amendment meetings, annual members meetings, elections, bringing on new Board members, electing new officers as well as holiday social gatherings at work and with our families? Do we want to have to worry all through December about two management companies playing nice and sharing information so that the new company can hit the ground running come New Year's Day?

How about we make these changes in March? Yes, boring old March when you really have nothing special to do as an association? If you happen to have a busy March, what about April? May?

Why rush through this very important decision when you can take your time and do it right in March?

By March, most community associations are settled down after the end of year gymnastics. The *only* potential downside in making the change in March is needing replacement coupon books, but more on that later. Your residents will need to change mailing addresses to the new management company regardless of whether you change at the height of the social season or in mundane March. With a March 1st start date, your residents will receive notification during February and unless they are big Groundhog Day fans, they should be able to find time to make the change to their payment address. It will likely even cause fewer owners to send it to the old address by mistake as frequently happens with a January 1st change...yet another win!

As for that one downside of having to pay for a second round of coupon books, if you even use coupon books, most management companies will pay for those new duplicate coupons as we too like to bring on new clients in humdrum March!

Plus, keep in mind that you only have to do this one time as your contract will then always start and end in March if you ever again need to make a change! Also, remember that you do not have to wait until renewal to make a change on your current management contract unless you have a highly restrictive contract. *Any* contract you sign should *always* allow you to terminate it with thirty (30) or sixty (60) days-notice and without showing cause.

If you have questions, give Merit Management a call at (813) 381-5435.

Mr. Pitrowski has worked in the industry since 1992 and is the founder and President of Merit Management, the second community association management company he has started in the Tampa Bay area. His first company was Communities of America, Inc. which he built into a highly successful and respected management company prior to merging it with a larger regional company in 2011. While never one of the biggest companies in the industry, both companies have been known as quality organizations that rarely lose a client. Mr. Pitrowski is very proud of the fact that his company still manages their very first client community after twenty-two years.