

Lake Forest Association

Chapel Hill, North Carolina

REQUEST FOR PROPOSAL

In any service or responsibility, the chosen association management company will work under the direction of the LFA Board. No action, fiscal or otherwise, will be made without LFA Board approval and will remain subject to the LFA bylaws, policies, and procedures, which are attached.

SUMMARY OF SERVICES SOUGHT

The Board of the Lake Forest Association (“LFA”), a non-profit corporation under Chapter 55 of the North Carolina General Statutes, seeks proposals from association management companies with expertise in association management pertinent to the needs of the LFA.

Lake Forest Estates consists of 335 households with properties surrounding 48 acres of Eastwood Lake and park, which is owned and maintained by the LFA. Of these, 256 households voluntarily have become dues-paying participating members of LFA (“Participating Members”). Participating Members enjoy the right to use Eastwood Lake and park and to vote on LFA business and governance matters. 90-dues-paying associate members (“Associate Members”), who live in neighborhoods within walking distance of Eastwood Lake, likewise enjoy access to Eastwood Lake and park, but cannot vote on matters of LFA governance. There is currently a 30-family waiting list for associate membership.

A six to fifteen member Board of Directors (“Board”), aided by a transitional manager, currently manages the day-to-day operations of the LFA. If the Participating Members of LFA vote to retain an association management company, the LFA Board will remain responsible for LFA governance and oversight of LFA management. The LFA Board, therefore, seeks a professional association management company to address many of the routine and administrative functions of the LFA with Board oversight and governance and continued involvement by LFA community volunteers in their areas of interest and expertise.

TERM: This agreement is to begin on October 1, 2018 for a term of one year. It is anticipated that the term will be renewed on an annual basis. The agreement is subject to the approval of the Participating Members.

SCOPE: Management of Lake Forest Association and Members

- 335 households with 260 Participating Members
- 90 Associate Members
- Management of the 48-acre Eastwood Lake, dam, forebay, park grounds (including structures and boat racks), common land
- Community event management
- Management of seasonal staff at park

MANAGEMENT FEES & SAMPLE CONTRACT

- A fee schedule for the provision of these management services should be included with all proposals and should include complete details of any other charges that might be incurred by the association, including but not limited to any administrative fees added to pass through expenses.
- Fee schedule should include a break down of management fees by the areas of management responsibility.
- A sample contract should be provided.

PROPOSALS DUE: Proposals are due by August 1, 2018

Q & A: Proposals and questions about this request should be emailed to: Audrey Green, LFA Transition Manager, Amgreen4@gmail.com, cell: 919 624-5465

Areas of management responsibility are to include the following:

NOTE: Proposals should reflect how the association management company would execute functions detailed in this RFP. This RFP, in places, reflects description of as-is processes. The LFA understands that proposed processes may differ from current practices, but responses should address all described functions.

1. Administration and Governance

- Management company to confer with Board chair to schedule, calendar, set agendas for all Board meetings. All materials to be reviewed and approved by Board chair.
- Management company to attend Board meetings.
- Management company to assist Board chair with scheduling of Spring and Fall general membership meetings.
 - Secure location for meetings.
 - Assist with preparation of agenda for meetings.
 - Publicize and provide notice to membership, including distribution of agenda and proxies.
 - Assist with preparation of meeting presentation.
- Management company to prepare materials for LFA Board review and approval all materials for general membership meetings and assist with set up for same. Management company to attend all general membership meetings.
- Management company to provide regular reports to LFA Board regarding management activities and LFA:
 - Management company to provide regular reporting to Board regarding LFA management activities and finances
 - Management company to facilitate communications with membership regarding LFA governance and management (e.g. distribution or posting of minutes from Board and general membership meetings, annual budget, monthly financial statements
 - In its response to this RFP, management company is to provide summary of recommended reports to LFA Board and membership
- Management company to create and maintain secure archives of LFA records (e.g. financial records, Board minutes).
 - LFA will retain ownership of all LFA records and data
- All data and records are to be regularly backed up by management company. Management company to create and maintain and secure LFA membership directory and, as consented to by LFA members, provide access to LFA members.
 - LFA member information to be used only for LFA business, subject to the approval of the LFA Board.
- Management company to create, for Board review and approval, annual LFA calendar of meetings, events, and management activities (see example attached).
- Management company to assist the Board with communications with Town of Chapel Hill, OWASA, police, and other agencies as needed.
- Management company to assist in the development and enforcement of LFA policies and rules.
- Management company to advise and assist Board regarding community governance and legal compliance.

2. Finance and Insurance

- LFA Dues – Management company to facilitate invoicing and payment collection of annual LFA membership dues and boat rack fees, as well as any other assessments for maintenance of Eastwood Lake.
 - Annual membership dues are invoiced on March 1 of the current year, both electronically and via regular mail, payable April 1, to the following parties:

- Participating Members (live within Lake Forest neighborhood);
 - Non-Participating Members (members that have not paid previous years' dues (Invoices for Non-Participating Members to include accrued unpaid dues from previous years);
 - Associate Members (live on boundaries of Lake Forest neighborhood - see 'Membership' section of this RFP).
 - In their response to this RFP, management company to provide overview of payment options for LFA members, to include information on existing contracted payment merchants which could facilitate automated draft and/or credit card payments.
 - Upon invoicing management company will post accounts receivables to accounting system.
 - Any payments received are recorded within 2 business days of receipt, and any checks received are deposited into Wells Fargo checking account at least weekly and marked as paid in the Accounting System at time of deposit.
 - A reminder is sent to any members who have not paid their dues by April 1, both electronically and via regular mail.
 - Should any additional dues be assessed for the maintenance of Eastwood Lake, LFA Board will set forth guidelines on invoicing and payment of these dues at the time of assessment.
 - On May 1, a communication is issued to all current paid members, both electronically and via regular mail, with the electronic gate combination for access to the LFA Park. This mailing also includes current Lake Rules and other information that may be pertinent to current paid members
 - Management company to provide welcoming package to new LFA residents to include an overview of annual dues, any one-time membership initiation fees.
 - Management company to maintain list of current boat rack assignees to be invoiced along with annual dues. Boat storage procedures are covered under the Park/Lake Property Maintenance section of this RFP
- Maintenance of membership lists
 - A list of all LFA members is maintained in the accounting system. This system shows all balances for all members and includes Participating Members (those that are current on dues), Non-Participating Members (those that are not current on dues) and Associate Members.
 - This list is required for LFA as only Participating Members are allowed to vote at LFA general membership meetings.
 - Management company will distribute membership lists to Board for each general membership meeting normally held in the spring and fall.
 - Paid membership lists are also sent to LFA park manager for checking in paid members to LFA Park, weekly 4/1-7/1.
- Financial Planning & Reporting
 - Management company to create proposed annual budget based on previous years actual expenditures. Annual budget is subject to approved by the Board and general membership and will be posted to the Web in a secured location (that is, accessible by LFA Participating Members but not the general public).
 - Management company to create monthly financial statements showing actual expenditures to budget. Final statements approved by LFA treasurer will be posted to the LFA website in secure location.
 - Financial Asset Inventory ("Balance Sheet") – Management company to publish monthly list of all investment accounts to the Board. Balance Sheets approved by the LFA Board or treasurer to be posted to the LFA website in secured location.
 - Profit and Loss – Management company to create and publish to the Board a monthly "profit and loss" statement showing all expenditure made that month by general ledger chart of accounts.
 - Long range planning for future needs with capital reserves
 - Management company to work with Board and finance committee to identify long range planning assumptions, project future capital reserve requirements and methods (options) to achieve the required reserves over time.
 - Consult lake health management company as needed.
- Management of LFA expenses per LFA policies and board oversight

- Management company to receive and pay all third party management company invoices and process into the correct general ledger chart of accounts.
- Management company to provide forms and facilitate expense reimbursement requests from Board members within 10 business days of receipt and post the expense to the correct general ledger chart of accounts.
- Payroll – Management company to provide system to allow LFA park staff members to enter weekly time for payroll payment. Management company to issue pay checks to staff per prescribed payroll scheduled issued to management company by the LFA Park Manager. Management company to withhold all payroll taxes as appropriate.
- Organize and store financial records
 - Management company to maintain a general ledger chart of accounts as approved by LFA Board.
 - All Financial Records must be backed up and stored in off-site facility at least monthly to insure recoverability of critical data in the event of a system failure.
 - All checks received for membership in the form of membership dues should be scanned and stored for safe keeping.
- Tax forms – Management company to issue all paid staff tax forms annually
- Tax prep – Management company to prepare all state and federal tax forms and issue to Treasurer for approval.
- Audits – Management company to complete internal audit of expenses paid/reimbursed, receivables received and deposited based on LFA Financial Policy identifying exceptions and issuing report for Board review.
- Risk Management and Insurance
 - Management company to review and assist the LFA Board in conducting a risk analysis of all Board, LFA, and lake/park operations, recommending involvement of outside experts as appropriate to identify all appropriate insurance coverage.
 - Annually management company to review all LFA insurance policies in place for adequacy of coverage and cost of coverage.

3. Membership

- Management company to maintain member directory with demographic data, controlled by member through on-line portal. Member must opt-in for publication and distribution.
- Management company to facilitate and provide mechanism for community communications (email, mail, listserv, website, Facebook)
 - Management company to promptly communicate member concerns to Board or its delegate
- Management company to coordinate associate member program
 - Management company to formalize and document association member program policies and procedures
 - Maintain wait list
 - Communicate status changes
 - Manage inquiries from prospective buyers, brokers, and would-be joiners
- Management company to coordinate with welcome committee volunteers to welcome new members
- Management company to communicate re: affinity groups – garden club, sharing library, etc.
- Management company to coordinate general membership meetings (annual or bi-annual)
- Management company to maintain database with member demographic and contact information

4. Park/Lake Property Maintenance

- Management company to:
 - Manage Board approved vendor and contractor relationships
 - Schedule, undertake, or supervise park maintenance
 - Lawn maintenance, weeds, trees
 - Manage annual landscape maintenance management company relationship

- Mosquito Control
- Supplies, equipment and materials
- Trash/recycling coordination
- Structures: construction and maintenance
- Boat storage management [detail]
- Weather Station – maintenance and communication to members
- Security - coordinate with Board and Chapel Hill police department
- Electronic gate maintenance
- Maintain proper signage reflecting rules and insurance recommendations
- Regular site visits and inspection
- Safety and property inspections
- Wild animal control
- Schedule, undertake, or supervise beach maintenance
 - Order and monitor installation of sand as necessary
 - Monitor condition and coordinate with staff re cleaning
- Schedule, undertake, or supervise dam maintenance
 - Create schedule for dam inspection
 - Foliage removal from dam and surrounding area
 - Monitor dam for change in condition
 - Exercise valves
 - Dam communications with Town of Chapel Hill, pursuant to dam emergency plan
- Schedule, undertake, or supervise parking lot, road and walkway maintenance
 - Order and monitor installation of gravel as necessary
 - Monitor and abate gauging due to weather events
- Schedule, undertake, or supervise lake maintenance and management
 - Create schedule for lake water depth measurement
 - Forebay monitoring and maintenance
 - Manage and communicate water quality testing
 - Monitor and mitigate destructive, invasive species
 - Monitor fish stocks and restock as necessary

5. Seasonal Programming/Event Management

- Management company to hire, schedule, train, supervise seasonal staff, including:
 - Determine staffing needs for LFA summer program, including need for additional LFA summer staff members; post to LFA internal website or communications portal any open positions; collect applications for LFA summer staff; hire LFA summer staff. Note that LFA summer program is staffed by LFA members and their teenage/young adult children
 - Assist LFA staff supervisor with training LFA staff and supervision of LFA staff.
 - Process payroll for LFA summer staff.
- Management company to maintain games and sporting equipment supplies for park
 - Recommend games and sporting equipment needed for summer program at park and, subject to LFA Board approval, purchase same.
- Management company to plan and execute LFA sponsored events within budgeted expenses (4 per season)
 - Assist Board and LFA staff with LFA-sponsored events, subject to budget approved by LFA Board. This includes calendaring, member communication, purchasing of supplies, and set up and clean up, with LFA summer staff members.

- Management company to collect and communicate season attendance data
 - Oversee collocation of season attendance data by LFA summer staff (number of members, associate members, and guests in attendance each day the park is staffed) and report same on a monthly basis to LFA Board.

- Management company to set and communicate seasonal calendar – events, staffing
 - Recommend seasonal calendar for LFA park staffing (opening and closing dates, times to be staffed each day, number of staff each day) and prepare budget for same for Board review and approval
 - Determine dates for four seasonal events, prepare budgets for same for Board approval.
 - Prepare member communications regarding reasonable events.
 - Prepare communications to membership regarding same.

- Management company to manage member large group bookings. LFA Members wishing to host an event of 15 or more people (with a maximum 40) at Eastwood park must first, and with at least two weeks notice, submit a request for a large group booking.
 - Manage communications for requests
 - Communicate the bookings calendar to staff
 - Assure sufficient staffing for any shift with large group bookings

Management Team

The RFP response should address who would be the LFA contact(s) and include a brief description of the team their background, experience and areas of specialization, including:

- How the management team would work with LFA and the LFA Board to manage LFA
- Location and availability of management company staff
- Familiarity with Chapel Hill

Cover Letter & References

- Please state briefly why you believe your company would be the best choice for our community.
- Please provide a list of current clients and 2 to 3 references

On behalf of the Board and the Lake Forest Community, we look forward to receiving your proposal.

Sincerely,

The Lake Forest Association Board

Version date: July 3, 2018

Attachments:

- Lake/Park Rules
- Policies
- Group Booking Form
- 2018 seasonal calendar and working calendar
- By-laws
- Staff supervisor/events coordinator job description
- Seasonal staff job description/daily task list