The Voice of the Washtenaw, Livingston, Monroe, and Lenawee County's Rental Housing Industry!

Volume 24, Issue 3 — April 2008

Always available at www.wa3hq.org

# Why invest in Training for your employees?

Employees love training. It's one of the most desired benefits available; among younger employees, it's the benefit they care about most. But what does training do for your company? A study by the American Society for Training and Development shows that an investment in training can

boost your bottom line in three ways:

## Employee **Retention:**

Employees who receive ongoing training are more satisfied with



their jobs and therefore less likely to leave. Think 3. Know the Cash Balance Right Now. retention doesn't pay? Experts say the costs assoyou anywhere from 1 to 3 time his or her salary.

### **Increased Productivity:**

Well-trained employees are more capable and will- 4. Do Today's Work Today.

## The 10 Cash Flow Rules You Can't **Afford to Ignore** by Philip Campbell, CPA

The statistics on small business failure are alarming.

Michael Gerber, author of "The E-Myth: Why Most Small Businesses Don't Work and What To Do About It", says that 40% of businesses fail in their first year, 80% fail within their first five years. Why? **THEY RAN OUT OF CASH**. Don't let this happen to your small business. Here are 10 Rules to help you take control of your cash flow so you can create the business you have always dreamed of.



#### 1. Never Run Out of Cash.

Running out of cash is the definition of failure in business. Make the commitment to do what it takes so it does not happen to you.

## 2. Cash Is King

It's important to recognize that cash is what keeps your business alive. Manage it with the care and attention it deserves. It's very unforgiving if you don't. Remember, Cash Is King, because No Cash = No Business.

What is your cash balance right now? It's absolutely critical that you know exactly what ciated with replacing a professional employee - your cash balance is. Even the most intelligent and experienced person will fail if they advertising, recruiting, and interviewing - can run are making business decisions using inaccurate or incomplete cash balances. That's the reason why business failures are not limited to amateurs or people new to the business world.

(Continued on page 3) The key to keeping an accurate cash balance in your accounting system is to do today's work today. When you do this, you will have the numbers you need - when you need them.

# President's Message

Connect with NAA

What's new at NAA

Membership Page

Education and Events Calendar

5. Either You Do the Work or Have Someone Else Do It.

## WA3 Calendar **Briefs:**

- April 8 NALP starts -**National Apartment Leas**ing Professional Designation. Go to naahq.org for more information and to register.
- **April 15 Maintenance Appreciation Lunch and Mania Awards**

Here is a simple rule to follow to make sure you have an accurate cash balance on your books. You do the work or have someone else do it. Those are the only two choices you have. The work must be done. It's like mowing the lawn. You can't just ignore it. Someone has to do it. That means either you do it or vou have someone else do it.

## 6. Don't Manage From the Bank Balance.

The bank balance and the cash balance are two different animals. Rarely will the two ever be the same. Don't make the mistake of confusing them. It's futile (and frustrating) to attempt to

(Continued on page 3)



## Published By:

Washtenaw Area Apartment Association 2008 S. State Street, Suite C, Ann Arbor, MI 48104 734/663-1200; FAX 734/821-0497 Email: info@wa3hq.org

# check us out on the web: www.wa3hq.org

## Deadline:

15th of the month for next month's publication. Submit all materials to Alice Ehn, Executive Officer

## 2007 Directors:

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## National Apartment Association

4300 Wilson Blvd, Suite 400, Arlington, VA, 22203 703/518-6141, FAX 703/248-9440 www.naahq.org

## President's Message:

By Kelly O'Donnell

Alice and I just returned from the National Apartment Association Capital Conference in Washington DC. This conference is held annually with associations and property management professionals from around the country. They meet three times a year and at this conference they discuss national issues, which affect our industry. We then have an opportunity to meet with our state representatives as well as senators to discuss these issues and ask for their support with them. It was quite interesting and very informational.



We have several classes coming up; the National Leasing Professional Class starts in April, the Education Committee is working on a CPO class and there is a Legal Seminar in May. We strongly encourage you to



attend these education classes. Stay tuned for more information about our upcoming Golf Outing, Tiger Game and Beach Party.

(left to right)
Abby Sierzputowski, Alice Ehn,
Representative Tim Walberg
(R-7th) and Kelly O'Donnell

# EO Message

By: Alice J. Ehn

Now is the time to renew your membership. 2008 Dues were due on January 15 and there are still a number of memberships outstanding. So why should you renew.

As an active member, a portion of your dues goes directly to legislative efforts at the local, state and national level. Volunteers work toward the prevention of the continuous onslaught of new governmental regulations. These regulations are getting worse as governmental entities explore new revenue sources. Please continue to contribute to the positive efforts made for your business benefit. Your voice is very powerful and getting stronger with each new member that joins. The Education programs offered by the association at discounted dollars are critical to you and your employees training and the opportunity to network and exchange ideas at our monthly meeting, events and on the WA3 listserve is invaluable. The new MIdigs.com website is there for you to list your properties for rent. We advertise this website so that our members units rent first.

As an associate member you should renew because of all to opportunities to have your business name in front of those that could potentially do business with you on a continual basis. There is the opportunity for a free Associate Spotlight in the newsletter, you can work side by side with buyers of the industry through committee involvement (free), and you are automatically listed in the membership directory, the Buyer's Guide, and can update your account on the website whenever you want (all free services). For a nominal fee you can advertise in the newsletter and on the front page of the website. All this provides you with the opportunity to promote your message to over 18,000 units.

All this and many more advantages are why you should renew today. Call the office at 734-663-1200 if you have any questions.

## Front Page Continued:

(Continued from page 1)

manage your cash flow using the bank balance. It's a prescription for failure. You reconcile your bank balance. You don't manage from it.

## 7. Know What You Expect the Cash Balance to be Six Months

#### From Now.

What do you expect your cash balance to be six months from now? This one question will transform the way you manage your business. This question really gets to the heart of whether you are managing your business or whether your business is managing you.

## 8. Cash Flow Problems Don't "Just Happen".

You would be shocked and amazed at the number of businesses that fail because the owner did not see a cash flow problem in time to do something about it. The key is to always be able to answer the question - what do I expect my cash balance to be six months from now?

## 9. You Absolutely, Positively Must Have Cash Flow Projections.

Cash flow projections are the key to making wise and profitable business decisions. They give you the answer to the all-important question from Rule # 7. It's impossible to run your business properly without them.

### 10. Eliminate Your Cash Flow Worries So You Are Free to



It takes the biggest laundry service company to make the littlest residents happy.

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most. And when it comes to business, it's always the little things that make a big difference. That's how Coinmach, the nation's leading provider of quality laundry services, delivers the most effective solutions for every property's needs.

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#### Do

# What You Do Best - Take Care of Customers and Make More

Money.

Use these 10 Rules to free yourself from cash flow worries. That way you can focus all your time and talents where you can make the most difference in your business. No more wasted time worrying about what's going on with your cash flow. Instead, you can focus your unique talents and abilities each day on ways to grow your business and make more and more money each year.

## And that's a recipe for success and wealth creation.

Philip Campbell is the author of the book Never Run Out of Cash and the companion audio CD The 10 Cash Flow Rules You Can't Afford to Ignore. This is a must-read for every business owner and manager. Learn more at <a href="https://www.NeverRunOutOfCash.com">www.NeverRunOutOfCash.com</a>.

(Continued from page 1)

ing to assume control over their jobs. What's the return on your investment? The National Center on The Educational Quality of the Workforce says that a 10 percent increase in training dollars leads to an 8.6 percent gain in productivity. Here's a metric to measure that against: the same increase in equipment dollars will only net you a gain of 3.4 percent.

## **Customer Satisfaction:**

Management studies tell us an average company loses about 15 percent of its customers each year. But, if this can be reduced to 10 percent, bottom-line profits improve, 35 to 85 percent. What's the quickest, easiest, and cheapest way to ensure customer satisfaction/retention? Train your employees. You'll boost their confidence and their competence in dealing with the public.

The take-away on training is this: it's not an expense, it's an investment that can reap serious short-term and long-term benefits. There's always room for improvement on the bottom line, and stepping up training is a proven tool for enhancing financial performance.

Provided by Linda Hammond at the Washtenaw Community College.



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## **Connect with NAA:**



## Gen. Colin Powell, USA (Ret.) to Speak at NAA Education Conference

By Michael Tompkins, CAPS, CPM, CCIM 2008 National Apartment Association Chairman of the Board Julian LeCraw & Co.

Gen. Colin Powell, USA (Ret.), will present the Opening Keynote Session "Leadership: Take Charge" Thursday, June 26 at the 2008 NAA Education Conference & Exposition. This year's conference also features more than 50 education sessions divided into nine education tracks including: Executive, Development & Rehab, Marketing & Leasing, Human Resources, Independent/Small Owner, Specialty Housing, Personal Development, Wild Card! and Shared Interest Roundtables. The 2008 NAA Education Conference & Exposition is June 26-28 at the Gaylord Palms Resort & Convention Center in Orlando, Fla. Visit www.naahq.org/meetings for registration information.

### NAA's Accessibility Training CD Now Available

NAA's New Accessibility Training CD, "What You Need to Know Now: Ensuring Accessible Housing" is now available for purchase. The primary audience for this course is single-site and multiple-site community managers. The secondary audience is other rental housing front-line employees, including leasing professionals, assistant community managers and other onsite staff members. The cost of the CD is \$24.99.

#### ApartmentCareerHQ.org Launched

The NAA Education Institute has launched www.ApartmentCareerHQ.org, a career-oriented Web site for high school and college students. This site offers Apartment Career resources for those interested in pursuing careers in the apartment industry and features Apartment Management, Maintenance and Leasing career paths.



## **NAAEI Apartment Career Brochures Available**

Three new career track brochures on Apartment Management, Leasing and Maintenance have been produced by NAAEI. The four-page colorful brochures give brief overviews of each career track, special career benefits unique to the apartment industry and testimonials from real apartment professionals. The back cover of each brochure features a detailed career track with sample salaries. Downloadable copies of the brochures are available at www.ApartmentCareerHQ.org. To request brochures, contact Julie Barden at 703/797-0691 or julie-barden@naahq.org.

New List Serve for Affiliate Membership Staff and Affiliate Membership Committee Members. A new list serve has been launched to provide affiliate membership staff and affiliate membership committee members a forum to network and exchange ideas. Contact Valerie Hairston at valerie@naahq.org or 703/797-0624 for information.

## Make Your Onsite Management Team a Certified Success

NAAEI's designation programs are the most effective ways to enhance your onsite management team's skillsets. NAAEI's programs designed for property supervisors (CAPS), apartment managers (CAM), leasing professionals (NALP) and maintenance technicians (CAMT) will help your community increases employee retention, improve resident retention, strengthen NOI performance, improve team performance and increase job satisfaction. Enroll yourself or encourage your staff members to enroll in NAAEI designation programs by contacting their local apartment associations or education@naahq.org.





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## What's New at NAA:



## New NAA Leadership Lyceum Scholarship.

NAA is offering two Leadership Lyceum Scholarships to any regular member. The NAA Lyceum

classes are to identify and develop a highly motivated group of emerging multifamily housing leaders. The Scholarship is open to rental housing owners or managers involved in apartment association activities on a local and/or state level. If you are interested, you can call the office for more information. Scholarship Applications from your local affiliate must be submitted by April 15th.

## New Designate Cards Coming



# Do You know what Advanced Instructor Training Is?

- It is an intensive three-day workshop for those who teach NAAEI designations or teach within their company.
- It provides participants with practical training of the highest quality in session planning, presentation skills and interactive learning.
- The best detail AIT is free. NAAEI pays for the class (a \$700 value), as well as breakfast and lunch. The only costs are travel, lodging and a couple meals (check with your affiliate to see if they are helping with these costs)
- Prior to the class a text is sent to each student to read (approximately three hours of reading) plus a quick ten-minute presentation is prepared.
- The classroom is a positive and supportive environment where a team of instructors guide participants through a dynamic program of presentation, activity and feedback.
- This class is not only an instruction skill builder, it's a career enhancer.
- Seating for AIT is limited to 20 students per class.
- The text is the same source document for the IREM and Equity Residential Advanced Instructor Training course
- New, Due to many people registering for Advanced Instructor Training and
  cancelling at the last minute, effective immediately, NAAEI will charge a refundable \$250 deposit for Advanced Instructor Training registrations. This fee can
  be refunded if someone cancels more than thirty days in advance. After 30
  days, the \$250 deposit is forfeited. This deposit will be returned upon the successful completion of the course.

#### Testimonial:

I just finished the training here in SD. All I can say is, "Bravo!" I thoroughly enjoyed the class, learned a ton of new things and met a lot of great people. The instructors were great!! I would highly recommend this course to anyone who is already teaching, no matter what level they are. We all saw the improvement in ourselves from Day I to Day 3. Even the camera crew made the same comments. Thanks for offering such a fantastic, worthwhile course!

Gail L. Scott, CPM. Lincoln Military Housing, San Diego, CA,



Each year, the National Apartment Association recognizes the distinguished efforts of builders, individual professionals and affiliated apartment associations and the unique contributions they make to the multifamily housing industry through its premier, national awards program - the PARAGON Awards. The call for entry is now open! If you would like to nominate an individual, affiliated association or community that represents our industry's models of excellence, please visit www.naahq.org/paragons.

Nominations are due by April 18, 2008

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# Local and State updates:



## **Ann Arbor City Revised Lease Ordinance**

The Amendments to the Early Lease Ordinance took effect on February 6, 2008. The Ordinance has been amended to remove the Waiver of availability and now states that you can show your apartment and sign a contract with someone other than the person living there after a 70 day wait period from the beginning of the lease.

## Ann Arbor City Update on the Customer Advisory Committee for City water softening

Because I was on the City's Storm Water Runoff Advisory Committee I was offered a seat on the water softening committee and accepted. Following is information I have gleaned from the first meeting.

The City is studying the addition of additional water softening of the City water supply. Currently softening is done by the addition of lime but that process and equipment has reached its maximum ability and the machinery is antiquated and in some cases dangerous.

Currently the City water is softened to 110-120 mg/L or ppm in the summer and 150-180 mg/L or ppm in the winter (milligrams per Liter and parts per million). In the winter the water is colder and the chemical reaction for softening does not happen as completely. 85% of the water is drawn from the Huron River at a spot upstream from where the Gelman Dioxin plume is expected to enter the river (many decades into the future). No communities downstream of Ann Arbor draw their drinking water from the Huron River.

Hard water increases scaling of appliances and pipes (think shower head & faucet plugging, spotting of dishwasher dishes and interior pipe scale = reduced water heater and pipe life). Hard water requires the use of more soap.

Additional softening of the water will increase the life of the City's pipes as well as the customer's pipes. It will cost about \$3M plus increase operational costs by about \$120 per million gallons (MG) for hardness of 130 mg/L. The City water plant's output is about 5,500 MG/year. The City's goal is to soften to a level of 100-130 mg/L. Estimates for the cost are being updated from the old calculation of \$1/month/residential customer. This cost does not factor in the value of savings to the City pipes or using less soap.

The City would like to obtain additional softening by the use of Sodium Hydroxide. The hydroxide part does not enter the water; I expect it is a catalyst for the delivery of the sodium.

Part of the focus of the group will be to discuss any health considerations from additional softening. Currently City water has 67 mg/L average of sodium if softened to the new desired level the projected sodium content will be 81 mg/L. A low sodium diet is about 2,000 mg of sodium per day. So assuming a customer consumes 2 liters of water per day their sodium intake if they are on a low sodium diet would increase from 6.7% now to about 8.1% of their daily amount because of the City water they drink.

If you have any questions about the water softening process that you wish me to address in the Advisory Committee please let me know. Unless there is something significant to report I will probably not send another such report until near the end of the Advisory Committee which will be in late July.

Provided by Tom Ewing from the March 11, 2008 meeting. If you have further questions on this meeting you can contact him at

thomasewing@comcast.net

## **Sponsorships Welcome!**

WA3 Golf Outing Friday, June 13, 2008 Reddeman Farms Golf Club

- Hole Sponsorships
   \$130 per hole
   (includes new sign)
   \$100 per hole (if
   we or you have a sign)
  - \$200 for 2 hole sponsorship (one on front 9 and 1 on back 9)
- Raffle Prize Donations
- Breakfast Sponsor \$150, limit 1
- Bag Prizes for approx. 100 golfers
- Game Sponsors -- make up a game and provide the prize. You can run the game on a hole
- Closest to the Pin Prize donation Limit 2
- Beverage Sponsors \$150
- Longest Drive Sponsors Prize donation.
   Limit 2

Tiger Ball Game Outing Tuesday June 25, 2008

4 - \$100 sponsorships for cooler, pizza, peanuts and bus. Your name will be in all publications and prominently listed on what you sponsor.

Beach Party - Date to be announced



Yacht Sponsor - \$150

- \* Name on Banner displayed on Main Street
- \* Name in all publications Sailboat Sponsor ~ \$100
- \* Tent Cards on Tables
- Name in all publications

Kayak Sponsor ~\$50

Name in all publications

## **Renewing Members:**

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#### Actives.

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## **Dropped Members:**

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# **Managers Only**

April 16, 2008 Lake Village of Ann Arbor 8:30 to 9:30 am

Every time you refer a new member you will get a \$20 referral fee

Washtenaw Area Apartment Association 2008 S. State Street, Suite C Ann Arbor, MI 48104 www.wa3hq.org and www.MIdigs.com

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# **Events:**

#### **APRIL:**

8, 9, 23 and 1/2 day on 24 - NALP, National Apartment Leasing Professional. The National Apartment Leasing Professional class is a designation class from NAA. It comprises 7 modules and a Market Survey project and presentation. Cost is \$375 member. Location TBA.



15 - General Membership Maintenance Appreciation Luncheon at Weber's Inn from 11:30 to 1:30. Cost: \$20. Tickets available for you to bring non-members from the Product and Service Council. Guest speakers of topic interesting to Maintenance and Mania awards will be given out.



**16 - Manager's Only**, 8:30 to 9:30 am, Hosted by: Lake Village of Ann Arbor. Open to Member Managers and Assistant Managers.



**17 - Proposed Certified Pool Operator Course.** Education Committee would like to know if there is interest in this very expensive class for Pool Operation. Call the office if you are interested.





**6 through 8 - National Apartment Association Advanced Instructor Training.** Location: Quality Inn and Suites, Lansing, Michigan. Fully paid by NAA and WA3



**14 - Legal Wednesday.** Topic to be announced. Instructors: Jim Fink and Karen Valvo, PLLC. Location: Cleary University off of Plymouth Rd. Time: 9 to noon. Cost: \$45 member rate/\$75 nonmember

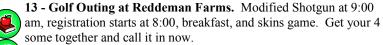


**15 - Manager's Only for Livingston County** Properties at Lakeshore Village off of Grand River between Howell and Brighton.



**20 - General Membership Breakfast,** Weber's Inn, 3050 Jackson Rd, 8:00 to 10:00 am.

## JUNE:



**25 - Detroit Tiger Ball Game Outing** includes Bus, Game and Drinks. Limited to 50 persons.



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