



PREPARING YOUR COMMUNITY FOR THE UNEXPECTED

A Board's Guide to Disaster, Emergency, and Business Continuity Planning

A practical guide to preparing for emergencies, protecting association assets, communicating clearly, and financing recovery when the unexpected happens.



Because Communities Deserve Better!

Community Association Management, Limited

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Prepared Communities Recover Faster

An emergency can begin with a hurricane, flash flood, fire, major water loss, freeze, tornado, fallen tree, failed pump, or damaged utility line. The cause may differ, but the Board faces the same immediate questions: Who has authority to act? Who is calling vendors? How are owners being informed? What should be documented? How will the association pay for the response and recovery?

The worst time to answer those questions is while water is entering a building, residents are being displaced, or emergency contractors are already mobilizing. A practical disaster plan does not predict every event. It establishes the people, authority, information, and financial options the association will need when normal routines no longer work.

The time to decide who has authority, who to call, how to communicate, and how recovery will be funded is before the emergency happens.

What this guide covers

- Planning before an event and identifying critical systems
- Emergency spending and decision authority
- Owner communications and coordinated public statements
- Damage documentation and insurance claim readiness
- Emergency response through Community's Maintenance Division
- Insurance, reserves, bank financing, SBA disaster loans, and possible FEMA assistance
- Business continuity while the association is recovering
- A practical Board emergency-readiness checklist

1. Think Beyond the Weather Forecast

Disaster readiness should be universal. A coastal association may think first about wind and storm surge, but inland and mountain communities can face catastrophic flooding, fallen trees, washed-out roads, fires, freezes, and utility failures. A community does not need to be in a traditional hurricane zone to experience a regional disaster.

Know what can fail

- Domestic and irrigation water systems, shutoff locations, and backflow devices
- Stormwater structures, drains, ponds, culverts, and private roads
- Elevators, fire/life-safety systems, gates, access controls, and security systems
- Pumps, generators, electrical equipment, and mechanical rooms
- Roofs, building envelopes, retaining walls, trees, and common-area structures
- Digital records, payment systems, banking access, and communication channels

The list should match the association. A single-family HOA will have a different risk profile from a mid-rise condominium, but every Board should know which systems are critical and who can reach them when normal access is disrupted.

2. Prepare Before There Is an Emergency

When there is meaningful advance warning, preparation can reduce both damage and confusion. The goal is not to turn volunteer directors into emergency managers. It is to make sure the association and its management team are ready to act.

Pre-event actions may include

- Verify Board, management, insurance, attorney, and emergency vendor contact information.
- Confirm who has access to keys, gates, mechanical rooms, utility shutoffs, and critical records.
- Inspect drains, stormwater structures, pumps, generators, roofs, and other vulnerable systems when conditions warrant.
- Secure or remove loose common-area furniture, signs, decorations, and other items that can become hazards.
- Confirm how emergency notices will be sent to owners and residents.
- Review insurance deductibles and know where current policies and claim-contact information are stored.
- Identify any residents, buildings, or systems that may require special operational planning without creating promises the association cannot fulfill.

Preparedness is not a binder on a shelf. It is knowing who can act, what they can access, and how quickly the association can move.

3. Define Emergency Spending Authority Before It Is Needed

Normal governance should not disappear during an emergency, but emergencies can make normal approval timing impractical. A water main can break at 2:00 a.m. A roof can be opened by a storm while rain is still falling. A fire can leave a building unsecured. Waiting for a routine Board vote may allow damage to grow.

The management agreement or a Board-adopted policy should define what management may authorize when immediate action is reasonably necessary to protect life, secure property, prevent additional damage, or restore a critical service. Emergency authority should not become a blank check. It should be limited to the emergency purpose, documented, and reported to the Board promptly afterward.

During the emergency	After immediate stabilization
Protect life and safety	Document what occurred and what was authorized
Stop or limit continuing damage	Confirm invoices, photos, reports, and vendor records
Secure buildings and common areas	Determine the permanent repair scope
Restore critical access or utilities when possible	Return major non-emergency decisions to normal Board approval

4. Communication Is Part of the Response

Owners do not need every detail in the first hour, but they do need clear, reliable information. Silence creates rumors; overstatement creates expectations the association may not be able to meet. Communications should distinguish confirmed facts from what is still being investigated.

Useful emergency communications answer four questions

- What happened?
- What is the association doing now?
- What should owners or residents do - or avoid doing?
- When should they expect the next update?

Messages should also explain when owners must contact their own insurer, utility provider, emergency services, or individual contractor. The association should not imply responsibility for owner property or services that fall outside the association's obligations.

5. One Voice During a Crisis

A major incident may attract television crews, reporters, social-media attention, or inquiries from public officials. Individual directors should not provide competing statements, speculate about the cause, assign blame, estimate losses, discuss insurance coverage, or speak casually about potential liability.

The Board should designate one spokesperson and coordinate significant statements with management, insurance professionals, and legal counsel when appropriate. Everyone else should direct media inquiries to that spokesperson.

An off-hand comment can outlive the emergency. Speak from confirmed facts, through a coordinated message, and avoid speculation.

6. Document the Loss Before the Scene Changes

Emergency work often has to begin quickly. That makes documentation especially important. Photos, videos, vendor reports, invoices, time records, damaged-material inventories, and written timelines can support insurance claims, financing, owner communications, and later Board decisions.

Documentation should be practical and safe. No one should delay life-safety work, emergency extraction, tarping, stabilization, or other necessary protective measures simply to obtain a perfect photographic record. When possible, capture the condition before major cleanup or demolition begins and continue documenting as the work progresses.

Preserve the recovery file

- Initial photos and videos
- Incident timeline and emergency decisions
- Vendor proposals, authorizations, invoices, and change orders
- Insurance notices, adjuster reports, and claim correspondence
- Board decisions and owner communications
- Permits, engineering reports, inspections, and final completion records

7. Emergency Response Needs an Operating Structure

Community's Maintenance Division handles emergency maintenance response for Community-managed associations. That gives the association an established operating structure for after-hours events, emergency contractor coordination, site response, stabilization, and follow-through instead of leaving volunteer directors to begin searching for help during a regional emergency.

Depending on the event, the response may involve Community personnel, specialty contractors, restoration firms, engineers, utilities, insurance adjusters, public agencies, or other professionals. Management coordinates the work and communication while the Board retains its governance and financial oversight role.

Emergency work is not the same as permanent reconstruction

The first objective is to make the situation safe and stop additional damage. Permanent repair, reconstruction, competitive pricing, engineering, permits, insurance scope disputes, or capital decisions may follow after the emergency has been stabilized.

8. Protect the Insurance Claim

Insurance should be notified promptly when a potentially covered material loss occurs, and the association should follow the carrier's instructions while also taking reasonable steps to prevent additional damage. Emergency mitigation does not mean the Board should authorize unrestricted permanent reconstruction before the claim scope is understood.

Community can assist with claim coordination, documentation, vendor communication, and the operational work needed to move the recovery forward. The association's insurance professional and counsel should be involved when coverage, causation, deductibles, subrogation, or significant liability questions arise.

9. Recovery Has to Be Financed

Insurance may be the primary source of recovery funding, but it is rarely the only financial consideration. Deductibles, exclusions, coverage limits, timing differences, code upgrades, uninsured work, and cash-flow needs can create a gap between the loss and available insurance proceeds.

Potential funding sources

Funding source	Board consideration
Insurance proceeds	Coverage, deductible, timing, documentation, and carrier requirements
Operating cash	Appropriate only when the expense fits available cash without destabilizing normal operations
Reserve funds	Use should match governing-document authority, reserve purpose, and the nature of the loss
Special assessment	May be necessary when other resources are insufficient, but should not be the default substitute for planning

Funding source	Board consideration
Association bank loan or line of credit	Can bridge timing or fund a major uninsured/underinsured obligation, subject to authority, lender underwriting, and repayment capacity
SBA disaster loan	Most private nonprofit organizations may be eligible for low-interest disaster loans for qualifying physical damage after a declared disaster; eligibility and terms must be confirmed for the specific event. ¹
FEMA/Public Assistance	Certain private nonprofit organizations and facilities may qualify, but eligibility is limited and should never be assumed. Some HOA/POA facilities are specifically outside FEMA Public Assistance eligibility. ²

Boards should investigate disaster assistance quickly because declarations, eligible counties, filing deadlines, facility type, insurance recoveries, and the legal responsibility for the damaged asset can all affect availability.

10. FEMA Assistance Is Possible - Not Automatic

FEMA Public Assistance is designed primarily for governmental entities and certain eligible private nonprofit organizations. Eligibility depends not only on nonprofit status but also on the type of facility and service involved. FEMA guidance specifically notes that certain property-owner associations may qualify when they own or operate eligible utility or emergency facilities, while facilities such as association roads and recreational facilities may not qualify as eligible PNP facilities for direct Public Assistance.^{[[FN1]]}

This is why a Board should not budget recovery on the assumption that FEMA will reimburse association costs. Instead, preserve documentation, monitor disaster declarations, coordinate with state/local emergency-management channels, and determine whether the association or a particular facility qualifies.

11. Business Continuity Matters After the Immediate Crisis

The association still has to function while repairs are underway. Assessments must be posted, vendors must be paid, owners need information, insurance proceeds must be tracked, records must remain accessible, and the Board may need to make decisions quickly even if normal meeting locations are unavailable.

¹ U.S. Small Business Administration, Disaster Assistance. SBA states that most private nonprofit organizations may be eligible for low-interest disaster loans for qualifying physical damage and, in some cases, economic injury following declared disasters. See <https://www.sba.gov/disaster>.

² Federal Emergency Management Agency (FEMA), Public Assistance: Private Nonprofit Organizations / Property Owners Associations guidance. FEMA explains that only certain private nonprofit applicants and facilities are eligible for Public Assistance; eligible utility or emergency facilities may qualify, while association roads and recreational facilities may not. See <https://www.fema.gov/assistance/public>.

Continuity planning should consider

- Remote access to financial records and banking information
- Backup access to owner records, contracts, insurance policies, and governing documents
- Alternate methods for Board communication and properly noticed meetings where permitted
- Authority for emergency payments and fund transfers
- A way to track disaster-related costs separately from routine operations
- Ongoing owner updates even when the management office, community clubhouse, or local infrastructure is disrupted

12. After the Crisis, Review What Happened

Recovery is not complete when the last contractor leaves. The Board should review what worked, what failed, which vendors responded, whether insurance performed as expected, how communications were received, and whether the association had enough financial flexibility.

That review should result in specific changes - updated contacts, revised emergency authority, improved records, new mitigation projects, insurance adjustments, reserve planning, vendor changes, or communication protocols. A community that learns from one event is better prepared for the next.

Board Emergency Readiness Checklist

Check	Question to ask
Authority	Do management and the Board understand who may authorize immediate emergency work?
Contacts	Are Board, management, insurance, legal, utility, and emergency vendor contacts current?
Access	Can the right people reach shutoffs, keys, gates, mechanical rooms, and critical records?
Systems	Has the Board identified the systems whose failure could create the greatest damage or disruption?
Communication	Is there a reliable method to send owner updates, including when normal channels are disrupted?
Media	Has the Board designated who speaks publicly for the association during a major incident?
Insurance	Are policies, deductibles, limits, claim contacts, and major exclusions understood?
Documentation	Can the association preserve photos, invoices, timelines, reports, and claim records in one recovery file?

Check	Question to ask
Funding	Does the Board understand its likely insurance, cash, reserve, borrowing, assessment, SBA, and possible FEMA options?
Continuity	Can the association keep collecting, paying, communicating, and governing while recovery is underway?

How Community Supports Associations Before, During, and After an Emergency

Community's role is to give the Board an operating structure when normal conditions break down. Our Maintenance Division handles emergency maintenance response, while Community coordinates the financial, communication, insurance, vendor, and administrative work needed to move the association from immediate stabilization into recovery.

Our approach

- Provide an established emergency maintenance response structure instead of requiring volunteer directors to locate contractors during the event.
- Coordinate emergency vendors, specialty contractors, and project resources as conditions require.
- Communicate confirmed information to the Board and support timely owner updates.
- Assist with insurance claim coordination, documentation, invoices, and recovery records.
- Track financial activity so the Board can distinguish routine operations from disaster-related costs.
- Help the Board evaluate funding and recovery options when insurance proceeds do not immediately cover the full need.
- Maintain operational continuity so association business can continue while repairs and claims are underway.

The goal is not to predict every emergency. It is to make sure the association is never starting from zero when one occurs.

The Bottom Line

A well-prepared Board knows that the first hours of an emergency are only the beginning. Good disaster planning protects people and property, but it also protects the association's finances, insurance claim, records, credibility, and ability to keep operating while recovery takes place.

The strongest plans are simple enough to use under pressure: clear authority, current contacts, reliable communication, good documentation, appropriate insurance, known financial options, and an experienced response structure.

That preparation gives the Board something it cannot create after the event begins: time.

Community Association Management, Limited helps Boards prepare for the unexpected and gives associations an established response structure when an emergency becomes real.

Educational Notice

This white paper is for general educational purposes only and is not legal, insurance, engineering, emergency-management, tax, lending, or financial advice. Disaster programs, insurance coverage, association authority, and funding options depend on the facts, governing documents, applicable law, disaster declaration, lender requirements, and individual program eligibility. Boards should consult the appropriate professionals for association-specific guidance.