



Special Assessment Only Choice for Elevator Repair

by Richard White

Q **Failure to have Proper Reserves**
Our condominium is old and up to now has been excellently operated. The present board is weak and inefficient. We have two elevators that have been out of service, sometimes days and sometimes for weeks. The elevators need major repairs and replacement. The board does not have the funds and they claim that few owners have the funds required for a special assessment. I am disabled and cannot walk the stairs. Several other owners are in the same situation. What is our solution to have properly operating elevators?
P.P., Miami

A The state is strong on requiring boards to budget properly for reserves. Apparently your past boards did not comply with the

statute requirements or the members voted not to fund the reserves. Well, time has come to pay the piper. Your boards and members failed to expect that future repairs were going to happen and that current economic conditions would make money in short supply. You and your boards made mistakes not to fund the reserves and now you must pay. I have no answer except for the board to approve a special assessment and repair the elevators. Failure to make the repairs can result in other expenses, fines, or liability claims.

Q Employee Manager vs. Management Company

For the past eleven years, I have lived in a wonderful over-55 community that is a model for the area. It is about 30 years old and has over 2000 units. It offers many activities and has an active volunteer base to support these committees, clubs, and services. We are financially sound, have a good reserve, and our monthly assessment is reasonable. Reviewing the history, it seems that we have had competent boards of directors and there have been some long-term competent association managers. For the past few years, newcomers have been agitating for many changes and they have just been elected to the board. There seems to be lots of discussion about hiring a management company rather than just replacing the manager who just left. Many fear that this would be much more costly. I would be interested in the pros and cons of this situation.

E.H., Palm Harbor

A I have worked as an employee manager, an off-site manager with a management company, and an on-site manager with

a management company. The cost and services can vary depending on your requirements. With an employee manager, you have more control that requires more supervision by the board. In event of illness and vacation, you will not have coverage. Many times, an employee manager lacks backup support to solve new problems. You may have to limit actions in 24 hour emergency situations. With a management company, you have backup if your manager becomes ill or is on vacation. The manager will have backup support to find answers to problems. Most management companies will have 24 hour phone numbers for after hour emergencies. Personally, I was happier working as an employee manager because I was more into taking control of the association and helping the board.

Uniquely Dedicated to Common Interest Communities

- Lockbox Services
- Industry Software
- Cash Management Services
- Loans for Capital Maintenance Projects
- Excellent CD and Money Market Rates



Mark Evans, CAM
Regional Account Executive

321.591.7055 or
Toll Free 866.800.4656 x7484
MEvans@CABanc.com
CABanc.com
CondoCerts.com



Top Management Companies Around the Country Use CondoCerts. Are You One of Them?

The nation's leading provider of association documents, lender questionnaires and resale certificates for all types of associations.



National Corporate Member of Community Association Institute | CACM Affiliate Member
Community Association Banc is a Division of Mutual of Omaha Bank, Member FDIC and Equal Housing Lender

But when I worked on-site with a management company, it was a nice feeling to have the backup support. I wrote a report defining the duties of the types of management. For a copy of the four page report, send a stamped self-addressed envelope marked with "Management".

Q Unit Owner's Insurance

I own a one-bedroom, one-bath condominium. I understand a law was passed requiring condominium owners to carry insurance. My condominium association wants all owners to carry insurance in the amount of \$50 per square foot of their unit. I believe this is too much; the units are far from being luxurious. Can the association dictate the amount of insurance that one has to carry?

C.D., Miami

A My past answers to this question were based on improper information so here is the latest update. Since 2004, the Condominium Act has required unit owners to carry insurance coverage to cover loss to the unit. In 2008, the statute was changed to allow boards of directors to require each owner to carry insurance, and the board had the right to buy the coverage and charge the owner. At this time, the state is debating the requirements of 2008 and may modify the wording approved in 2008. However, the latest is that the state will not remove the requirement for owners to have insurance coverage. Over the next few weeks, the Florida Legislators and Florida Senate are in

session and are planning to make changes to the Condominium Act, the Homeowner Association Act, and the Cooperative Act. I would advise all concerned association members to stay on top of the proposed changes. You can find your local elected officials and the pending bills. Go to www.flsenate.gov and www.myfloridahouse.gov to read the pending bills and locate your elected officials. Call them to find out information on the bills. In searching the site, you will find well over 25 different bills that can affect associations. I urge you to stay on top of these bills. But to answer your question, it is my understanding that you must carry adequate insurance.

Richard White is a long-time licensed manager who lives in Florida. He answers questions on a wide variety of community issues. You may send your questions to Richard White at camquestion@cfl.rr.com. ■

WE CHUTE FOR YOUR SATISFACTION.



KNOWLEDGE, SKILL & SERVICE

Southern Chute provides you with the very best choices possible to help you maintain your Trash Chutes, Laundry Chutes, and Dryer Risers. Our family-owned business provides exceptional service through experienced technicians and the use of state-of-the-art equipment to ensure both value and excellence.

KNOW YOUR CHUTE

TIPS FOR CONTRACTING THE RIGHT CHUTE SERVICES:

- A State Licensed, Fully-Insured (Liability & Workman's Compensation) Mechanical Contractor
- **Experience; state-of-the-art equipment; quality products**
- Annual inspections to ensure your chute complies with Fire Code
- **Maintenance and repair services include fire & smoke damage, fire code violation prevention, hot high-pressure cleaning, odor & pest control, hands-on cleaning & service**
- Trash & Linen Chute door repairs and replacement service
- **Replacement of chute systems**

"WE CHUTE FOR YOUR SATISFACTION"



3772 SW 30th Avenue • Hollywood, Florida 33312
866-475-9191 • SouthernChute.com