Association of Condominium,

Townhouse, and

Homeowners Associations

ÂCTHANEWS

11 E. Adams, Ste. 1107 • Chicago, IL 60603 • 312-987-1906 • actha@actha.org • www.actha.org

December 2015 / January 2016

Inside this issue:

Tip of the Month	3
Security continued	4
2015 Index of Articles	5
Question of the Month	6

2015 PLATINUM SPONSORS

ACM Community Management Benchmark Contracting Bral Restoration • Brian Allendorfer Co. Caruso Management Group CertaPro Painters Community Advantage • Contech MSI Co. CRC Concrete Raising Dickler Kahn Slowikowski & Zavell Frost Ruttenberg Rothblatt PC Fullett Rosenlund Anderson PC Hollinger Insurance Services Hometown Painters Independent Association Managers Keough & Moody • Kovitz Shifrin Nesbit M & J Asphalt & Paving Penland and Hartwell • Pro-Home 1 Rosenthal Bros.

ServPro of South Chicago



Santa has asked if Gael, Bruce & Yvonne can help out at the North Pole. We said "YES!" so the ACTHA offices will be closed Monday, Dec. 21 and will re-open on Monday, Jan. 4. Have a happy and merry holiday season!

CONTRIBUTING TO THE SECURITY OF YOUR ENVIRONMENT

By Steven Siegel of U.S. Security Associates

We need to be concerned about what goes on around us. How can we approach and handle situations and how can we assist our communities in becoming safer areas to inhabit? As you choose to live where you do, it is your responsibility to love and care about your family and community and to respond to situations whenever persons, situations or incidents arise or occur that could pose harm.

The pertinent question for most is not how, but what will happen should you encounter a situation where life or property is threatened. In truth, if we prepare before the situation occurs, we may be able to eliminate the opportunity for the situation having a negative outcome.

Use of the following options are integral in helping secure your community and surroundings more effectively.

Crime Prevention through Environmental Design

(CPTED). Is your property neat and clean? Are your trees and shrubbery trimmed? Do you eliminate places where the "bad guys" can hide? A clean environment says that you care. Do not create areas where people can hide and wait for an opportunity to pounce. By not cleaning and maintaining your property you are sending a message that you don't care. You are subconsciously inviting the "bad guys" in.

Lighting. A well-lit area is a huge crime deterrent. Make sure you lights work. Change burnt out bulbs immediately.

Security Cameras. Traditional cameras and monitors are common. Home security systems are available and inexpensive. Professional companies can remotely monitor your property via cameras. Cameras are great; but, they need to be



S&D ENTERPRISES, INC.

Over 50,000 Roofs Installed Since 1963

Specializing in Multi-Family Projects Our Experience & Technical Know-How Gets the Job Done Right the First Time!

Specialized in Roofing Services & Projects for:

Tear-offs • Shingles • Soffit & Fascia

Flat Roofs • Gutters - Siding • Repairs



OWENS CORNING Preferred Roofing Contractor



COMPLETE ROOFING SERVICE • BONDED AND INSURED A State of Illinois <u>Unlimited</u> Roofing Contractor

» Call Sam or Stu Martel for a FREE Estimate

630-279-6600 • www.sdroofing.com



TIPS OF THE MONTH: Common Mistakes Boards Make

Failure to educate. It's essential that Board Members read and understand their governing documents, rules and State law. The board should know what is expected of them including how meetings should run.

Fiscal irresponsibility. Board members not taking time to read and understand the financials can cause problems. It is imperative that board members not fall into a false sense of security and assume that everything is running smoothly. There should be proper checks and balances including obtaining two signatures on checks.

Selective enforcement or failure to uniformly enforce governing documents. Often boards are accused of playing favorites. This would include board members attempting to institute new policies and ground rules. Over regulating can pose a problem. Rules should be reasonable. It is important to be fair and consistent.

Failure to maintain confidentiality or generating gossip. There are often times when boards discuss confidential items. It is wrong for board members to knowingly disseminate confidential items to residents. In doing so they are opening themselves as well as the association to possible litigation.

Micromanaging and abusing power. It is important that the board works with their management company for the daily operations of the property. Board members should not be making decisions in their self-interest. Failure to disclose personal interest can create conflict.

Failure to collect overdue assessments. While boards sympathize with owners during hard times, delaying assessment collections hurts the cash flow of the association, making it difficult to fulfill its financial obligations and setting a precedent for other owners to make late assessment payments without fear of legal action. Boards should have a collection policy whereby owners, at a certain period when past due, the board pursues legal action.

Tom Skweres of ACM Community Management

3041 Woodcreek Dr., Downers Grove 60515 / 630-620-1133 / tskweres@acmweb.com / www.acmweb.com

Board of Directors Officers President: Beth Lloyd Vice President: Joe Fong Treasurer: Bob LaMontagne Secretary: Jacqueline Fanter								
Mike Matthews			Directors e Pagoulatos	Myrna Santiago-Martinez		Ron Sirotzki		
Executive Director : Gael Mennecke								
Lobbyist:John Carr, Social Engineering Associates, Inc.Legal Counsel:Rob Kogen of Kovitz Shifrin Nesbit and Charles VanderVennet in private practiceAccountant:John Kopczyk of Kopczyk and ScottInsurance Consultant: Karyl Foray of Rosenthal Bros.								

Note: Materials in this publication may not be reproduced without the written permission of ACTHA. The statements and opinions in this publication are those of individual authors and ACTHA assumes no responsibility for their accuracy. ACTHA is not engaged in rendering legal, accounting or other expert assistance. If required, the services of a competent professional should be sought. Acceptance of advertising in the ACTHA newsletter does not constitute an endorsement by ACTHA or its officers of the advertised products or services. The publisher reserves the right to reject any advertising.

Continued from page 1

monitored in order for a quick response should a situation occur. The ability to record and store video for a minimum of 30 days is also very beneficial.

Cellular/Smart Telephones.

An advantage of smartphones is that they take photos and also record video and audio. It's quite simple to learn how to use these features. These capabilities can help prevent a situation from occurring and can provide proof that there is/was a problem, which should be addressed. Use your telephone to call the police, security or manager when the situation presents itself.

Gates/Fences/Locks/Windows.

Any deterrent is better than none. Keep doors and garages closed and locked. Use a security bar or piece of wood to keep your sliding door secured. A security brace will keep your door from being forced in. Close the door behind you in common areas. If you see an open door, close it. If it should be locked and isn't, lock it. Don't allow someone to gain unauthorized access by "piggybacking" in . Don't allow a crime of opportunity. Take away the easy opportunities, and make it more difficult for the "bad guy." Close and lock windows. If you can use security bars and you feel you need to, before installing, refer to your association documents, board or manager to see if they are permissible.

Fences. As long as fences are maintained with no breaks or areas that have fallen, they help to provide an additional deterrent. They slow the "bad guy" down and help to protect the areas inside the perimeter.

Timers. Timers are an excellent way to turn lights on/off when you are not home. Utilize three of them and think logically as you place them in your home. Move them around week to week. Unpredictability is key. Bad guys look for patterns—don't be predictable. Change the time and locations, Opportunity and predictability are the bad guy's friends—don't make their lives easier.



Common Sense. Common sense is a valuable commodity; good judgment is gold. Always be thinking "if-then " and not "what-if". If you see someone lurking around your car, do not approach, but stay back and prepare to call security or the police. Take mental notes regarding the person's features (height, skin color, mustache/beard, weight, hair length, glasses, clothes, time, etc.). Snap a photo if intentions are nefarious, note how fast they turn and leave. If they are just admiring your car, they won't act in a strange manner. Always think common sense—it will keep you from placing yourself or those near you in a dangerous situation. Don't forget-most people will respond when they hear a person yell, "FIRE!

Security Officers/ Lobby Attendants/Patrol Officers/

Door Staff. Not only do these trained professionals monitor your property, but they are also specially trained to observe, report and take appropriate action. They provide a visual deterrent, and can respond to many different situations. An individual in a clean crisp uniform is a prime example of pride and can deter situations from happening through visibility and attentiveness. There are many functions security officers provide in varying capacities depending on your property's need and requirements.

Alarms/Motion Detectors/ Card Access and FOBs. Many different types are available. Choose one that makes the most sense for you and your property. Motion detectors are very efficient for in-home use; models that are connected to lighting are even better. Loud alarms are great. All can be monitored on – site or tied to a central station for remote monitoring. They can also be connected to your smart phone to alert you immediately.

In conclusion, there are many types of security methods available. Whether inexpensive or expensive, simple or complicated, security professionals and/or monitors, you can find a product or service that fulfills your needs and budget. Research—the internet is a wonderful tool. Network—ask others what has worked for them. If we all do our part—we all stay safe. Together we are the solution. Let's not let neglect or carelessness lead to disastrous consequences.

U. S. Security Associates 18425 W. Creek Dr., Tinley Park 60477 ssiegel@ussecurityassociates.com www.ussecurityassociate.com

2015 NEWSLETTER INDEX

DECEMBER/JANUARY 2015:

Audit, Review and Compilation Comparison and Taxes: Brad Schneider of Condo CPA Reserved Parking: Mike Walsh of E & R Towing

The "Now Syndrome": Scott Rosenlund of Fullett Rosenlund and Anderson

FEBRUARY 2015:

Choosing Management Software: Sarah Sutka of eUnify

Annual Association Record Keeping: David Bendoff of Kovitz Shifrin Nesbit

Board Requirements and Real Estate Broker Licensure: Barry Kreisler of Kreisler Law

MARCH 2015:

Implementing Electronic Voting: Ben Rooney of Keay and Costello

Legislative Update

Assessments and Mid-year Unit Sales: David Freeman of Tressler

APRIL 2015:

Illinois Condominium Property Act Insurance Changes: Karyl Foray of Rosenthal Bros. Property Taxes: David Duncan of Arnstein and Lehr ACTHA Education Provides Many Answers

MAY 2015:

Prescribed Fire in Outdoor Management: Jake Hagelow of Pizzo Group

Chicago Energy Benchmarking: Levenfeld Pearlstein

Disparaging the Board through Social Media Use: William Chatt of Chatt and Prince

JUNE 2015:

Reimbursing Board Members: Scott Rosenlund of Fullett Rosenlund Anderson

Legislative Update

Parking and Tree Sap: William Lapelle of the Law Offices of Wm. Lapelle

JULY/AUGUST 2015:

Smoking: Tobacco, Marijuana and E-Cigs: Ryan Shpritz of Kovitz Shifrin Nesbit Fiduciary Duty: James Arrigo of Tressler

Limited Common Elements: Martin Stone of HSR Property Services

SEPTEMBER 2015:

Can a Manager Bring Value to an Association: Angela Falzone of ASF Enterprises

New Law Affecting Associations: Mark Rosenbaum of Fischel Kahn

Effective, Efficient Board Meetings: Michelle Kenny of Home Again Community Management

OCTOBER 2015:

Legislation Signed into Law: Michael C. Kim of Kim and Associates

Financial Statements Board Should Review: Brad Schneider of Condo CPA

Miscalculation of Assessment Fees: Steve Silberman of Marcum (formerly Frost Ruttenberg)

NOVEMBER 2015:

New FHA Closing Rules: Damon Fisch of Keough and Moody Emotional Support Animals: Stuart Fullett of Fullett Rosenlund Anderson Ballot Collection and Proxy Holders: David Sugar of Arnstein and Lehr





Question of the Month

By: James Erwin of Erwin and Associates 4043 N. Ravenswood, Chicago 60613 / 773-525-0153 / www.erwinlawfirm.com

Q Our townhouse association board sent out the budget in the time frame specified in the law (30 days). However, when I attended the board meeting, the budget had changed to reflect a 19% increase over what had been distributed to the owners. In addition, the budget is to be a three-year budget. Can a board arbitrarily change the budget after providing it to the owners and are they also able to adopt a budget of more than one year?

A. Both the Illinois Condominium Property Act and the Illinois Common Interest Community Association Act require mandate that association boards provide the ownership with notice of its meeting to adopt a proposed *annual* budget at least thirty days prior to its adoption by the board, and that the notice must include a copy of the proposed budget. Both statutes further state that the notice shall also include, more specifically, "an indication of which portions are intended for reserves, capital expenditures or repairs or payment of real estate taxes."

So, while the board has the power and authority to discuss the proposed budget at a properly noticed meeting for that purpose, and to pass an amended budget after open discussions on the matter, it is improper for the board to simply amend the proposed budget after distribution but prior to the meeting. The intent of the law is to give the ownership advance notice of what the board will be discussing and voting on. Your board's actions subvert that intent and are not proper. Additionally, a three year budget is improper in that the governing statutes require boards to approve annual budgets.