

Oak Park Residence Corporation

Memo

To: Tammi Grossman
From: Beth Swaggerty, Assistant Executive Director
Date: 10/30/2018
Re: Small Condo Program – Scope of Work & Program Services through 9/30/2018

PROGRAM SERVICES

During this reporting period, Program Coordinator, Beth Swaggerty worked closely with five (5) associations to address specific concerns and issues and to reinforce the more formal monthly training offered by the program. A summary of the objectives, activities, and outcomes for each of the five (5) associations can be found starting on page 2 of this report.

In addition to consulting with the five (5) primary associations, Ms. Swaggerty also conducted eight (8) formal training sessions. These training sessions were attended by board members of the five (5) primary program associations and representatives of several other Oak Park condominium associations.

During this period, Ms. Swaggerty also met in person, by phone, or by email with representatives of the following sixteen (16) Oak Park condominium associations on issues pertaining to restatement of declaration and bylaws, proper procedure for amending governing documents, hierarchy of state statutes and governing documents, fiduciary responsibilities of the board, change of registered agent, annual reports, open meetings, board vs. owners' meetings, effective record keeping and owners' rights to review association records, rental restrictions, rules and regulations, foreclosure process, disclosure of association information to potential buyers/banks, risk mitigation, reserve accounts, capital improvements, notice requirements, conducting meetings and rules of order. Several board members and/or owners of these associations attended a number of the program's formal training sessions.

- ✓ Maple Tree Condominium (6 Units)
- ✓ Park Avenue Manor Condominium Association (10 Units)
- ✓ Maple Arbor Condominium Association (6 Units)
- ✓ Euclid Point Condominium Association (12 Units)
- ✓ 720 North Austin (11 Units)
- ✓ 417 South Kenilworth Condominium Association (6 Units)
- ✓ 152 North Scoville Condominium Association (4 Units)
- ✓ Taylor-Lake Condominium Association (10 Units)
- ✓ Wisconsin Manor Condominium Association (6 Units)
- ✓ 2 LeMoyne Parkway Condominium Association (10 Units)
- ✓ 511 North Humphrey Condominium Association (6 Units)
- ✓ 608 South Highland Condominium Association (4 Units)

- ✓ 257 Washington Condominium Association (10 Units)
- ✓ Briarcliff Condominium Association (4 units)
- ✓ 409-411 Washington Blvd. Condominium Association (6 Units)
- ✓ 106 South Ridgeland Condominium Association (22+Units)

Lastly, Ms. Swaggerty attended seven (7) association board meetings during this period to provide guidance in proper parliamentary procedure, clarification of pending issues, and/or to introduce the program to potential participants.

PRIMARY PARTICIPATING ASSOCIATIONS

The 100-104 South Austin Condominium Association (9 Units)

Program Start Date: July 2016

Program End Date: December 2018

<u>Association Objectives</u>	<u>Status</u>
1. Meet regularly with SCP coordinator to reinforce formal training and establish and/or review action plans	On-going
2. Establish proper financial recordkeeping and provide membership with regular financial reports	Achieved
3. Achieve and maintain a positive cash flow in operating account	Achieved
4. Establish separate operating and reserve accounts	Achieved
5. Prepare and adopt annual operating budget(s)	Achieved
6. Have 2 board members attend each of the 11 formal training sessions	Achieved
7. Correct Village violations (back stair repairs, painting, etc.)	In-process
8. Address deferred maintenance at building	In-process
9. Initiate collections against delinquent owner(s)	In-process

Association Outcomes

1. In achieving several of its objectives, the association now has two (2) full years of detailed financial records and a positive cash flow in their operating account.
2. Owner assessments are being raised annually to effectively meet their on-going operating expenses.
3. The board established two (2) special assessments to cover the cost of correcting building violations as cited by the Village.
4. Two of their board members completed all eleven formal training sessions.

The George Condominium Association -713 Washington Blvd (6 Units)

Program Start Date: January 2018

Program End Date: April 2019

<u>Association Objectives</u>	<u>Status</u>
1. Regularly meet with SCP coordinator to reinforce formal training and establish and/or review action plans	On-going

2. At least 2 board members to attend each of the 12 formal training sessions	In-process
3. Correction of four (4) years of miscalculated and misallocated monthly assessments	Achieved
4. Establish best practices and written protocol for bidding capital projects	Achieved
5. Review of Board Officers' roles and fiduciary responsibilities	Achieved
6. Review of current building insurance policy and risk mitigation	Achieved
7. Review bylaws for needed updates/revisions	In-process

Association Outcomes

1. Association is now managed through the board rather than by consensus of all owners. Decisions are made and action taken in compliance with the Illinois Condominium Property Act, therefore their liability and risk in their actions has been mitigated.
2. The appropriate allocation of assessments has been implemented and repayment has been made to the owner who was over paying.
3. Property insurance policy now provides appropriate coverage and mitigates risk
4. Reserve study has been contracted

833 North Harlem Condominium Association (9 Units)

Program Start Date: May 2018

Program End Date: April 2019

Association Objectives Status

1. Regularly meet with SCP coordinator to reinforce formal training and establish and/or review action plans	On-going
2. At least 2 board members to attend each of the 12 formal training sessions	In-process
3. Clarification of requirements for establishing special assessments	Achieved
4. Determining payment options for capital improvements (special assessment, use of reserves, bank loan or combination)	In-process
5. Understanding best practices in bidding capital projects	Achieved
6. Review of governing documents for greater understanding/clarifications	Achieved

Association Outcomes

1. One-on-one meetings have focused primarily on immediate issues
2. Board President is also participating in the SCP's monthly formal training courses
3. Board has identified and is using multiple resources in funding major association expense (window replacement)
4. Board has effectively established a special assessment for needed funds

1103-1107 Condominium Association (11 Units)

Program Start Date: September 2017

Program End Date: December 2018

<u>Association Objectives</u>	<u>Status</u>
1. Regularly meet with SCP coordinator to reinforce formal training and establish and/or review action plans	On-going
2. Attend each of the twelve (12) formal training sessions	On-going
3. Clarification of governing documents regarding:	
A. Rentals	Achieved
B. Annual Elections	Achieved
C. Rules & Regulations – violations & hearings	Achieved
D. Process for amending bylaws	Achieved
4. To understand board officers' duties and roles	On-going
5. To conduct meetings with proper notice, parliamentary procedure, and Proper minutes	On-going

Association Outcomes

1. Board secretary is participating in monthly training sessions
2. Formal Rules & Regulations have been drafted and approved
3. Board meetings are being regularly conducted and minutes are being kept
4. Association has amended bylaws to limit number of rentals

Comments: In formally limiting the number of rentals within the building, the property gains value and is more attractive to potential buyers and their lenders. The board secretary has indicated that the information and training she has received and relates back to the rest of the board has strengthened communication within the board and it has become easier to make decisions and take action in the management of the association.

820 N. Austin Condominium Association

Program Start Date: December 2017

Program End Date: November 2018

<u>Association Objectives</u>	<u>Status</u>
1. Regularly meet with SCP coordinator to reinforce formal training and establish and/or review action plans	On-going
2. Review and reconcile banking records	Achieved
3. Find replacement for retired board secretary	Achieved
4. Understand board officers' duties and roles	Achieved
5. To learn proper notice, parliamentary procedure, voting, and taking minutes for meetings	On-going
6. Hold regular meetings	On-going
7. Engage a building management company	On-going

Association Outcomes

1. Banking records have been reviewed and reconciled through 8/31/18
2. Replacement board member identified and sworn in
3. Training on board duties and roles completed
4. Association has determined they want and need outside management

Comments: Because board members and owners are an aging population they are considering moving away from self-management to outside management. Ms. Swaggerty advised them of key elements to consider when selecting outside management. Two of the Association's board members are participating in the SCP's monthly training courses.

PROGRAM ENHANCEMENTS

Formal training has become a key component of the program, consisting of twelve (12) power-point training courses on specific aspects of association management. (See Attachment) Written and designed by Program Coordinator, Beth Swaggerty; these presentations are updated on a regular basis to reflect current legislation and best practices. Many of the sessions include industry professionals as guest presenters. In addition, Ms. Swaggerty utilizes and distributes "Best Practice Guides" on specific areas pertaining to condominium association management. These "Best Practice Guides" are written by various professionals in the field of condominium management and are published by CAI – Community Association Institute. These enhancements have allowed the program to grow from a program of reactive crisis management to proactive guidance and training.

Ms. Swaggerty also continues to expand and update the program's pages on OPRC's website to include current articles, written by association professionals, on relevant issues and changing legislation. There are also links to relevant documents, events, and organizations - such as the Illinois Condominium Property Act, the Association of Condominiums Townhomes and Homeowners' Association (ACTHA) and the Community Association Institute (CAI). Visit www.oakparkrc.com/small-condo.

Ms. Swaggerty continues to maintain her CMCA (Certified Manager of Community Associations) and CAM (Certified Association Manager) licenses.