

Association of Condominium,
Townhouse, and
Homeowners Associations



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How to Access Important Community Association Documents

By: **Charles M. Keough, Principal Attorney**
Keough & Moody, P.C.
Naperville | Chicago

A community association's declaration, plat of survey/subdivision, bylaws, rules and regulations, and Articles of Incorporation are important documents that members may be interested in reviewing. In the case of a declaration, bylaws and rules and regulations, members should have a working knowledge of such documents. Failure to comply with these instruments may result in serious consequences. Yet commonly, unit owners do not have copies of these documents or even know where to find them. This article provides simple instructions for members of condominium or common interest community associations interested in locating these important materials.

Written Request to the Board

Every member of an association has the right to examine and make copies of the association's declaration, bylaws, plat, rules and regulations, and Articles of Incorporation. After submitting a written request to the Board or its authorized agent identifying the documents sought for examination, the Board will typically make the requested records available within 30 days. Be prepared to pay a fee however; the Board is permitted to charge for the actual cost of retrieving and copying these records.

Additional Options

Alternatively, if an owner would like to locate and review one of these documents without submitting a written request to the Board, the process will depend on the document sought:

Declaration, Plat, and Bylaws: In order for a property to be legally considered a condominium or common interest community association, the declaration, plats of survey, and bylaws (either embodied in the Declaration or attached as an exhibit) must be recorded in the office of the recorder of the county where the property is located. There, it is easy for a unit owner to find any documents recorded against their property using their name and Property Index Number (PIN). Though a plat may be difficult or impossible to locate online, generally declarations and bylaws are available online (but may be date-restricted).

Rules and Regulations: Unfortunately, you will not typically find these recorded in the county recorder's office. These you may obtain on your association's website or from management and/or the board of directors.

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2017-18 Board of Directors

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President: Joe Fong, Westgate Terrace CA, Chicago

Vice President: Ron Sirotzki, Spring Lake Farms HOA, Lake in the Hills

Treasurer: Salvatore Bondi, Edgewater Beach Apartments Corp., Chicago

Secretary: Jacqueline Fanter, Wedgewood Commons Assn, Orland Park

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Tom Bordenkircher, 1720 S Michigan Ave Condo Assn, Chicago

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Myrna Santiago-Martinez, Flats of Old Irving Condo Assn, Chicago

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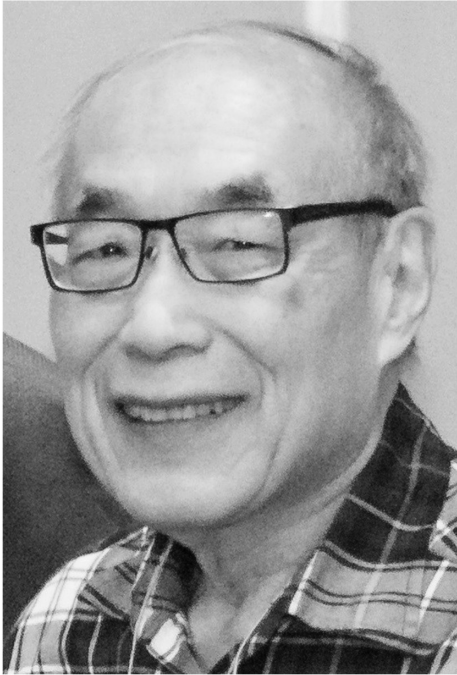
Diane Pagoulatos, Whispering Lake TOA, Lake Bluff

Mark Swets, CAE—Executive Director

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Getting to Know Joe Fong

The Board of Directors recently elected Joe Fong to serve as ACTHA President for 2017-18. Joe brings a wealth of experience in consulting with and serving on numerous non-profit association boards. Read on to learn more about Joe, his experience with ACTHA, and his outlook on community living.



How did you become involved with ACTHA?

I always like to do the best job at whatever I do. When I joined my association in the 1970s, I began to seek knowledge by attending workshops, seminars and conferences in the field. I attended most of the educational offerings at CAI and later attended educational programs through ACTHA. I found that ACTHA provided quality education sessions locally. Members at both organizations continually asked me to participate in its leadership. I have served on ACTHA's Education, Membership, Bylaws and Executive Committees. I was elected to the ACTHA Board of Directors in 2013, served as V.P. and was just elected President.

Tell us about your association. What issues is your association currently addressing?

My association, Westgate Terrace C.A., is a 48-unit community in a park-like setting with over 160 trees located in the University Village neighborhood on the Near West Side of Chicago. We have engaged owners and have never had a problem getting owners to serve on our nine-member board!

The main issue facing my association is the lack of operational knowledge amongst the board members. Board members need a foundation of knowledge to make good decisions, but many lack knowledge in construction technology, accounting, budgeting, planning, landscaping, aesthetics, meeting rules, laws and much more in order to make wise decisions. Other factors such as personality/ego issues, personal agendas, lack of understanding of fiduciary responsibility and, most importantly, the unwillingness to seek knowledge through consultants or education, can result in contentious board meetings and impede progress. Boards need training, and ACTHA offers such training! The problem is getting board members to recognize the need for training in order to serve well in their respective roles.

Additionally, my association is working through a transition of a newly-hired manager. Outlining expectations and responsibilities for management can help provide for a successful transition. Like many other newly-formed boards, we acted without utilizing the wealth of available operational information.

What's in store for ACTHA in the coming year?

ACTHA faces many challenges for the immediate future. Our major initiative is getting the message out to all owners who live in association environments that we exist and serve as a valuable resource. Like most non-profits, we have a tight budget as well as membership growth challenges. We are experimenting with different venues and offering new and different, meaningful experiences at our conferences to help owners, leaders and board members make better decisions. We must continually add to our assortment of vendors to best serve community associations and support ACTHA. We need a proper mix of vendors that will attract homeowners as well as board members. We are located in the Chicago metropolitan area and have access to a wealth of quality vendors and opportunities. We must think positively and big!

What trends do you see in our industry?

Due to economic feasibility, I see continued growth for people living in community association environments. I see many boards abdicate their board responsibility role to lawyers or community managers. Sometimes there is mismanagement and money wasted, and the board isn't always aware of it. All owners need to realize that they live in an environment where they have a mini-government and that their active participation is needed to help maintain their properties properly and keep property values up. Owners need to be the drivers of boards.

Continued from page 1

Articles of Incorporation: To obtain copies of an association's Articles of Incorporation, the Illinois Secretary of State's Office requires: 1) a request by mail sent to "Secretary of State Corporations Division, 501 S. Second St., 3rd Fl., Springfield, IL 62756" along with a \$25.00 check, or 2) a request by telephone to 217-782-6875 with a \$27.50 credit card payment.

However, much of the important information contained in the Articles of Incorporation—such as the legal name, status, date of incorporation, or names and addresses of the registered agent, president, and secretary—is available for free on the Secretary of State's website at

www.ilsos.gov/corporatellc/CorporateLlcController

Terms

Articles of Incorporation: An instrument which creates a corporation, pursuant to the general corporation laws of the state

Declaration: A legal document that establishes the existence of and further governs the use and maintenance of a condominium property. It is regulated by the Condominium Act and it includes legal descriptions of the condominium and of each individual unit, the nature and scope of the development project (when applicable), and several provisions regarding the use of the condominium units and common areas

Bylaws: A set of rules adopted by the Association for its self-government and for the purpose of regulating the rights and duties of its officers and members

Rules & Regulations: A set of rules adopted by the Board of an Association for the purpose of promoting the safety, security, or welfare of the owners and the property

In Memoriam: Patty Petersen



Patty Petersen, long-time ACTHA commercial member, passed away on May 22 after a long bout with melanoma. Patty was President of CRC Concrete Raising & Repair in Park City and was active in numerous industry organizations. She was a current member of ACTHA's Events committee and graced us not only with her presence, but with doughnuts and coffee at each meeting!

WELCOME! New ACTHA Members (April-May 2017)

Association Members

Condominiums of Waterbury, Roselle
Holiday Terrace Condo Building No. 4, Lansing
Kirkland Chase Courtyard TOA, Batavia
Sherwin Estates Condo Assn, Chicago

Commercial Members

Cat 5 Restoration – A Midwest based Disaster Recovery Expert specializing in handling damage complexities of any size with integrity, innovation and excellence.
Contact: Jody Saso, 855-479-0911
jsaso@c5restores.com

Legacy Association Managers– Located in Bolingbrook, a leading management company serving community association boards and homeowners in the effective management of their communities. Today's footprints are tomorrow's legacy!
Contact: Eva Drabek, 630-783-1541
eva@legacymgr.com

Westward Management – Provides condo and HOA management to Chicago and suburbs, featuring professionally trained property managers and easy online tools.
Contact: Ryan Hufnagel, 800-901-5431
ryanh@westwardmanagement.com

Help Spread the Good Word of ACTHA!

Know of any associations that could benefit from ACTHA membership? We are dedicated to providing members with educational program and legislative representation in Springfield. When an association joins ACTHA, all in the association receive member benefits.

Who's your favorite vendor? If your association works with a company who provides excellent service, encourage them to join ACTHA as a commercial member! They'll gain access to a valuable network of associations and other professionals to help build their business.

Visit www.actha.org/join or contact Mark at 312-987-1906 for information on becoming a member.

Question of the Month: How Does a Board Get Proof of Owner Insurance?

By: Karyl Dicker Foray, CIRMS, CRIS
Rosenthal Brothers, Inc.
Deerfield

By: Joel Davis, CPCU, CIC, CIRMS
Community Association Underwriters of America, Inc.
Hoffman Estates

Question: What steps can a board take to obtain proof of insurance coverage from each owner?

Answer(s):

Foray: There are various ways that an Association can require unit owners to provide proof of insurance. They can 1) make it a requirement under their Rules and Regulations or 2) through an amendment to their Declarations and Bylaws or 3) through a Board Resolution. Condo associations can only require proof of liability insurance (since the Association really doesn't care if they have insurance to replace clothes, furniture, etc). See Section 12 (3)(h) of the Illinois Condominium Property Act for exact wording.



If it is a townhome association and the association doesn't insure the units at all then they can require that proof of property and liability be provided. Associations may fine unit owners who fail to provide proof of insurance, on a monthly basis, until the Certificate of Insurance is provided.

Davis: Section 12(h) of the Illinois Property Condominium Act addresses this issue. Once a rule has been adopted by a condo association requiring owners to provide proof of coverage, the board has the authority to impose fines for owners who don't comply. Outside of fines, I suggest an informational meeting be held with owners to explain the importance of verifying unit owner coverage. Owners can easily request that his/her insurance agent set up their policy so automatic policy renewal information is sent to the Property Manager or member responsible for verification.

Getting to Know Joe Fong (cont'd)

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Owners must expect boards to learn to lead instead of letting others (e.g. attorneys or managers) do their jobs for them. We certainly need legal and management guidance; however, Board members should make policy decisions for the owners, managers should execute the Board's decisions and lawyers guide the Board in meeting their objectives. In order to be effective, owners and board members need to be educated. ACTHA offers such education. In some states, newly elected board members must attend a training session to learn of their responsibilities in an association environment. Remember, association boards run a business, many with multi-million dollar budgets! I look forward to ACTHA serving as the source for such education and becoming more recognized and even accredited.

What's the best piece of advice you've received through ACTHA that helped your association?

ACTHA opens you up to a vast world of leadership knowledge in a community association environment. I learn something worthwhile at every event offered by ACTHA. Learning and growth never ends!



How to Be a Great Board Member

ACTHA recently conducted a seminar on “How to Be a Great Board Member in 90 Minutes or Less” in Olympia Fields. Below is a recap of a few lessons learned from our presenters, attorney Bob Prince of Cervantes Chatt & Prince P.C. and manager Chris Berg of Independent Association Managers, Inc.:

1. As a board, **surround yourself with a solid team of advisors.** An attorney, financial professional, manager, etc; can provide vital information to help a board make educated decisions. This may also limit liability in any litigation against the association.
2. **Get it in writing.** Professional opinions, advice and analysis should always be provided in writing. Don't rely on hearsay or assertions.
3. **The board speaks with one voice.** Each board member has equal decision-making authority. The President has no more authority than the Treasurer or a board member at-large. Once a decision is voted on, all board members should support the decision externally in their community.
4. **Be prepared.** Review materials prior to meetings. It's okay to discuss issues with board members outside of a meeting—just be sure it doesn't meet a quorum and that no decisions are made.
5. **Communicate.** Not only with fellow board members, but with the community. Printed newsletters and/or consistent email updates keep owners engaged and aware of what's going on in the association.

Visit www.actha.org for information on upcoming educational programs.

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