



**Lash** / Condo Law LLP

Lash Condo Law is dedicated to guiding condominium corporations through the complexities of governance, financial management, and community building.

By implementing this Five-Point Plan, your board can enhance operations, maintain financial stability, and foster a thriving condominium community

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**FIVE-POINT  
PLAN FOR  
CONDOMINIUM  
OWNERS,  
DIRECTORS  
AND  
MANAGERS**



# STEP 1

## Financial Planning: Ensuring Stability and Compliance

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- Condominium boards operate as non-profit businesses and must manage two key financial streams: operating expenses and reserve fund contributions.
- Regular reserve fund studies are crucial to ensuring funds are available for major repairs and replacements.
- Monthly financial reviews, including income statements and budget comparisons, help track spending and avoid financial shortfalls.
- Budgeting is primarily a board responsibility; while owners do not typically approve the budget, transparency through annual budget meetings fosters trust.
- Reserve funds must be used strictly for their intended purpose and cannot be redirected for operating shortfalls.
- Proactive planning, including a five-year financial strategy, helps maintain financial health and predict upcoming expenses.
- Boards should prioritize necessary repairs, practice preventative maintenance, and secure adequate insurance coverage.
- Effective collection of common expenses and timely lien placements are critical to financial management.

# STEP 2

## Strong and Professional Management

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- The Condominium Act, 1998 mandates that boards manage the corporation's property and assets effectively.
- Management options include professional property management or self-management, though self-management carries increased risks and responsibilities.
- A professional management company can provide essential services, including financial reporting, preventative maintenance planning, emergency availability, and legal compliance.
- When selecting a management company, the board should clearly outline expectations, interview candidates, and conduct thorough reference checks.
- The property manager must be accountable, maintain proper insurance, and provide services tailored to the community's needs.



# STEP 3

## Knowledgeable Directors and Engaged Unit Owners

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- Directors must act professionally, balancing business efficiency with the fact that condominiums are people's homes.
- The board should have a working knowledge of the Condominium Act, 1998, declaration, by-laws, and rules.
- Meetings should be conducted efficiently, with formal agendas and proper follow-up on issues raised.
- Directors have various legal duties, including financial oversight, ensuring compliance with by-laws, maintaining the property, and upholding insurance obligations.
- Professional advice from lawyers, auditors, and engineers should be sought when needed to prevent costly mistakes.
- Clear communication with unit owners prevents misunderstandings and fosters trust.
- Ongoing education through industry seminars and publications strengthens board effectiveness.

# STEP 4

## Fostering a Strong Community

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- A sense of community improves cooperation and makes board operations smoother.
- Initiatives such as welcoming committees, community events, and shared amenities help build relationships among residents.
- Encouraging pride in the condominium corporation ensures better maintenance and investment in the property's future.
- Tenant inclusion is important; all occupants should be treated equitably.
- Dispute resolution should prioritize amicable solutions, utilizing mediation and legal avenues as necessary.



# STEP 5

## Effective Communication: Strengthening Board-Resident Relationships

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- Open and regular communication between the board, management, and residents ensures transparency and minimizes conflicts.
- Consider periodic newsletters, community meetings, and online forums to keep owners informed.
- Clearly outline processes for handling resident concerns, ensuring issues are addressed professionally and efficiently.
- Posting minutes, financial summaries, and upcoming projects fosters an informed and engaged community.

## Contact Us

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