

CCI NATIONAL REPORT

VIRTUALLY THERE - CCI NATIONAL LEADERS FORUM & CONFERENCE

Twice each year, CCI holds a National Leaders Forum (NLF) and conference, which provides an incredible learning opportunity for condo owners, condo directors, condo professionals and business partners. Since we are still suffering through the pandemic, this fall's NLF was held virtually, Nov 4th - 7th (<https://cci.ca/events/2020/11/04/cci-n-fall-leaders-forum>).

While I did learn lots attending my first NLF, one of my lessons learned is that attending virtually is nothing like attending a conference in person. When attending in person, besides the various presentations and seminar sessions, there are hallway discussions, conversations during meals and coffee breaks, as well as the exhibitor hall in which you can have in-depth discussions with industry professionals and business partners. Most importantly, being physically there allows you to establish personal connections, which is such an enabler for future communication and collaboration.

SESSION HIGHLIGHTS

There were many highlights from the various information sessions, including an awards night and a trivia contest. Informational sessions included an update on the CCI business plan, legal case studies, reserve fund problems and opportunities, case studies of condo boards or condo owners misbehaving, insurance trends and challenges, and how to improve governance with bylaws and rules.

TECHNOLOGY

While most of us are now familiar with Zoom (<https://zoom.us>) for virtual meetings and AGMs, it by itself is not well suited for managing a conference. Organizers used an application called Whova as a management tool in coordination with Zoom. Whova managed the agenda planning, seminar and presentation sessions, session recordings, attendee contact details, messaging, discussion groups, speaker profiles, sponsor profiles, an exhibitor hall (via Zoom), and surveys. The application can run on a desktop, tablet or smartphone - I used all three options through the conference and found that generally it worked well. A few glitches seemed to be dependent on the device used at the time.

One nice aspect of attending virtually was that if two sessions ran concurrently, I could attend one live and one later via recording - while messaging various presenters through the Whova app to ask questions.

AWARDS NIGHT AND TRIVIA CONTEST

These were more informal and relaxed events, allowing attendees to get to know some of the key members across the country. Five CCI members were presented with distinguished service awards (well presented virtually at least) for their past contributions to both the National organization and their local Chapter. Very inspirational. Sad though that we couldn't celebrate their success in person though.

The trivia contest took a while to get sorted out because there were several teams comprised

of three to five members, and each team had to figure out how to collaborate without the other teams overhearing. The team I was on ended up using SMS group texting for collaboration. It ran in a single Zoom session with several rounds of questions, with each team keeping their score on the honour system. Questions were challenging but not impossible to answer. It would have been much better in person working as a team at our own table while sipping a favourite beverage.

CCI BUSINESS PLAN UPDATE

How can CCI provide better value to you, our members? That is the primary focus for our National organization of 17 Chapters. Not only do we as an organization have to understand our members' needs and expectations, we also have to examine and improve on the 'how do we do it' aspect. CCI National worked with a consultant for the past year or so gathering input from members across the country, consolidating the information and creating a strategy. The next phase of the project is to develop a plan of action and implement it. Stay tuned for more updates.

One of the 'how do we do it' items that has already been completed is the introduction of the National Resource Centre <https://cci.ca/resource-centre/overview>.

LEGAL CASE STUDIES

People, pets, parking, objectionable behaviour, noises and smells can lead to litigation and legal expenses for condo corporations (CCs). There were a few

CCI MANITOBA EDUCATION NEWSFLASH

We are planning to present our CCI Introductory Course for condominium corporation directors in the next few months in an online format. While some details have yet to be finalized, monitor our *Upcoming Courses & Events* page <https://cci-manitoba.ca/education-events/upcoming-course-events>

COURSE OUTLINE	DURATION	FORMAT	DATE & TIME
1. Director Basics - Getting Started as a Director 2. The Director's Responsibilities and Governance 3. Property Management 4. Planning, Financial and Other Responsibilities including Reserve Funds 5. Insurance 6. Status Certificates 7. Legislation that Affects Condominium Corporations	Half Day	TBD – could be live webinar or self-study via podcast	Spring 2021

sessions covering numerous case studies. Fortunately Manitoba is not a litigious Province. One golden rule is that "it is better to mediate than litigate" - more effective and less expensive. However, even better is the platinum rule which is "to first communicate frequently and effectively, and to actively listen to the other party" (for info on active listening here is a useful link <https://www.psychologytoday.com/us/blog/in-it-together/202006/active-listening-skills>).

You may find that if you do the communication part correctly, it will avoid the need for mediation or litigation.

Some other thoughts on the legal front include;

- In some provinces, CCs are updating bylaws to allow for chargeback to unit owners for insurance claim deductibles for instances of acts of omission or commission or negligence (see section 193 of the Manitoba Condo Act <https://web2.gov.mb.ca/laws/statutes/2011/c03011e.php#A193>).
- AirBnB is being tested in some Provinces (Not yet in Manitoba) and CCs are winning - AirBnB is deemed not to be a residential use but a commercial activity.
- Don't implement a bylaw or rule that you can't justify or can't or won't enforce.
- While service animal issues are becoming more common in the pet problem category, it is key to know that you can't ask about the reason for the service animal but you can ask for proof that it is required.
- Doing an internet search is not sound legal advice - if you need legal advice ask a lawyer.
- When working with a lawyer, understand lawyer-client privilege and what can go wrong if you don't understand that privilege.
- Evidence is important - keep notes of conversations, emails, meeting minutes, complaint logs, accident reports, etc.

RESERVE FUND PROBLEMS & OPPORTUNITIES

Many of the problems and opportunities with reserve funds are related to money. While many are familiar with the quote

"money is the root of all evil", that is actually a misquote (try doing a web search on the quoted text if you want to go down that internet rabbit hole).

Since Manitoba started requiring reserve fund studies (RFS) and updates, many condo corporations (CCs) have found that their reserves are underfunded. To address the underfunding problem, CCs raise fees which makes many owners unhappy. The experience in other Provinces is that this often results in a group of unit owners getting together to oust the Board then lowering the fees. Then when major projects need to be initiated, there isn't enough money in the reserve to pay for it so the Board issues a special assessment to pay for it, which makes many owners unhappy. This often results in a group of unit owners getting together to oust the Board then raising fees to ensure the reserve

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is properly funded, which makes many owners unhappy... and so on. Hopefully this isn't happening to your CC. The golden rule is that if your reserve is underfunded, increase your reserve fund contributions immediately because the shortfall will likely increase with your next RFS update.

OTHER RANDOM THOUGHTS RELATING TO RESERVE FUNDS INCLUDE

- Review the planning horizon for your RFS. The Manitoba Condo Act sets a minimum horizon of 30 years, which may be inadequate to capture longer term infrastructure components - sewers, water lines, etc. Better to use a 40, 50 or even 60 year horizon
- If your building is older, there could be some 'gotchas' lurking out of sight, such as asbestos, aluminum wiring, hazardous materials/wastes or lead pipes. Has your RFS consultant considered this as a possibility?

- Unit owners should read the CC Declaration as some major cost items may be unit owner responsibility instead of CC responsibility or they could be shared cost items.
- If there are common elements shared amongst two or more CCs (such as a parking lot, roadway, clubhouse or pool) it is best for all of the CCs to use the same RFS consultant, otherwise there may be gaps or duplication.

CCI ANNUAL GENERAL MEETING (AGM)

The AGM was also part of the conference and required an additional application since some agenda items needed a vote. For the AGM another application was used, GetQuorum (<https://www.getquorum.com>). It too utilizes Zoom for the virtual session while adding on the voting functionality and session moderation services. While AGMs can be somewhat dry at times, the session went well, business was conducted, votes taken and resolutions passed without difficulty.

INSURANCE TRENDS AND CHALLENGES

Many condo corporations are experiencing large increases to insurance premiums, higher deductibles and some loss of coverage. CCI recently ran a national webinar on this topic, which compares and contrasts the issues across the country (a recording of which is available in the National Resource Centre <https://cci.ca/resource-centre/view/764>).

Currently we are in a 'hard' market after many years of a 'soft market' (see figure). This is a country wide problem but we may be nearing the peak for premiums. However, climate change and its effects on floods and fires is a significant factor in the future outlook.





BOARD OR OWNERS BEHAVING BADLY

Disrespect and harassment can come from both owners and directors, often as a culmination from prior misbehaviors or misunderstandings. Bad behaviour could include repeated violations of bylaws and rules by an owner or by Boards failing to enforce the bylaws and rules. Some proactive things can be done to prevent bad behaviour, including:

- Communicate clearly, concisely and in a timely manner;
- Considering that the owner's behaviour may be due to a lack of knowledge about the bylaws and rules rather than just a disregard for them. If so, take steps to educate them about the declaration, bylaws, rules and regulations.
- Upon election, have your directors review and sign a director's code of

ethics; Similarly, have all unit owners and tenants review an owner's code of ethics (such codes are available from CCI at <https://cci-manitoba.ca/members-only/forms-templates>).

- The Board should err on the side of overcommunication rather than not communicating enough.
- Put together an owner handbook with highlights from your condo documents and other useful information such as recent newsletters, seasonal bulletins, minutes from the most recent AGM. You could also provide copies of the CCI Guidebook to unit owners (<https://cci-manitoba.ca/resources/the-condo-guidebook>)

Overall, my experience with the virtual format for the conference was positive, and I look forward to attending future CCI conferences, hopefully in person, which would mean the pandemic is over. Sigh.

ALAN FORBES
National Council Representative 🇨🇦


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