



**FROM LEFT TO RIGHT:**  
**Brad Foster**, Property Manager  
**Yvonne Quinn**, President  
**Donna Cox**, Secretary  
**Lyndsey McNally**, Team Leader  
**Andre LeBlanc**, Operations Manager  
**Jane McCarthy**, Director  
**Chris Korol**, Director

PHOTOGRAPHY BY RON JOCSAK

## Condo Profile

By James M. Russell  
Newsletters et Cetera



# Where did all our money go?

## The house that dripped money

### **FADE IN:**

**SPECIAL EFFECTS:**

Fog and scary music

### **ROLL CAMERA!**

Winston Manor: the Movie is a modern day horror story with a happy ending. Sort of a cross between Disney's Cinderella and Christopher Lee's, 1971 classic, the House That Dripped Blood. Except Winston Manor dripped money. Lots of it.

### **Act 1**

#### **Scene 1**

*"Sorry... but your balance is zero."*

This tale of woe began on January 23, 2015, when the owners of Winston Manor received a letter from their property manager advising them that their siding contractor had placed a lien on their six acre, 141 town-house neighbourhood located near the intersection of Winston Churchill Blvd and Dundas St. West in Mississauga. The letter informed the homeowners that the Board



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was looking into “securing a loan to make the make the outstanding payment”. Missing from the letter was any mention of how much the corporation owed their contractor or what led to Winston Manor falling behind in its payments in the first place.

That letter generated a range of emotions and many questions, especially since their auditor’s report, presented at the October 2014 AGM, but only representing their economic health up to the March 2014 fiscal year end, stated that the corporation’s reserve fund was a healthy \$181,396 and their finances were rosy. Quite naturally, the owners of Winston Manor wondered what happened to their money because, by December 2014, cheques written by Winston Manor’s Board began carrying a stamp that read, “Please Hold - No Cash”.

**Act 1**  
**Scene 2**

*“Don’t blame the sinister sidings.”*

The sidings on the townhouses of Win-

ston Manor were only manufactured to last fifteen to twenty years, so by 2012, the year the previous Board began replacing the sidings, Winston Manor had already celebrated birthday number twenty-three and many of the cracked, and crumbling siding panels resembled mummy’s cheeks. Not only were the pressed wood panels unsightly but their sad state of decomposition allowed the water from rain and melted snow to run into the basements of some units and, it was later discovered, that moisture had also reached the drywall in some units. And so, the Board embarked on a multi-stage, multi-year siding replacement project that carried a total price tag of 3.2 million dollars.

Unfortunately, somewhere along the line, Winston Manor’s property manager, the management company, and the Board failed to faithfully exercise due diligence, not to mention their fiduciary responsibility, because the siding project’s finances first went sideways then tanked.

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“We were never shown the books or the monthly accounts as new Board members – only the bank statements and the property manager’s report, all of which contained scant detail,” says Yvonne. She and Donna Cox – the other resident, voted to the Board at that October 2014 AGM didn’t realise until their first Post-AGM Board meeting the depth of Winston Manor’s financial horror.

When Yvonne and Donna began asking questions “They (the other three members of the Board) did not want to consider anything but a loan (to cover the outstanding amount) and insisted that the corporation’s zero balance in one account and minus six-thousand in another was ‘no problem,’” says Yvonne.

“They tried to convince us that we just didn’t understand the numbers”, added Barb Thyen, the Board’s current treasurer.

Not long after, that blood-curdling letter advising them of the lien showed up at the doors of all 141 townhouses.

**Act 1**  
**Scene 3**

*“The suspense continues.”*

Concerned that fraudulent activities may have contributed to Winston Manor’s financial horror, some residents began making calls to the same auditor who told them just seven months ago that the corporation’s finances were in good shape. As well,

small groups of residents begin holding mini-meetings and a homeowners group formed which was completely separate from the Board.

From the discussions that took place at the mini-meetings and during the larger homeowners group, the residents created a list of a dozen or so questions they wanted the Board, the property manager and the management company to answer. On March 10, 2015, the residents received a letter from the Board informing them that the corporation’s finances were in the red and invited the residents to a special meeting on March 25. The purpose of the meeting was for residents to make a change to their bylaws so that the Board could “pursue a loan, not to exceed \$350,000.”

“The Board thought the meeting would be an easy sell,” says Jane McCarthy, one of the Board’s new directors.

Boy, were they wrong!

**Act 2**  
**Scene 1**  
*“Confronting the Beast”*

The March 25, 2015, meeting was standing-room-only with 120 to 130 of Winston Manor’s 141 units represented. Present also was their property manager, the Board, the corporation’s legal coun-

sel, and a representative from the Bank of Montreal – the designated lending institution for the bank loan option. Sadly, the resident’s questions were met with responses like, “I don’t know,” “I don’t have that paperwork with me”, or “I’ll have to get back to you on that”. Faced with a dearth of helpful information the residents rejected the idea of pursuing the bank loan and opted instead for a special assessment which would amount to an average of \$3,200 per townhouse.

**Act 2**  
**Scene 2**

*“Driving a stake through the monster’s heart.”*

“The way the meeting was held was a disgrace,” says Winston Manor resident Lucy McIntosh. “We were all very angry,” says twenty-year resident Mary Ellen Lefebvre. So angry that after the March 25, 2015, meeting a few of the residents drafted and began circulating a petition that contained but one demand – that the three long-serving members of the Board resign. Toward the end of April, a delegation of residents not only hand-delivered copies of that petition, signed by sixty-five percent of Winston Manor’s owners, to their five Board members, their property manager, and their management company. The Board’s president resigned immediately, and the property management company gave Winston Manor thirty-days notice.



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**Act 3  
Scene 1**

*“The dawning of a new day.”*

The remaining Board members promptly began researching management companies, first settling on ten candidates then, pared the list down to five, then two. The Board not only interviewed the management companies but Board members made site visits to their clients, interviewing the Board members

and residents of condominium corporations represented by the two leading candidates.

“We drew up a list of about twenty items we wanted from the new management company,” says Yvonne, “Things we must have and things it would be nice to have.”

“They were very thorough,” says Lyndsey McNally, Team Leader at Malvern

Condominium Property Management of Winston Manor’s interview session with her company. “We liked them (Malvern) because they were very experienced, had good references, excellent resident on-line portal and they impressed us as being very organised,” says Jane, who was elected to the Board in 2015.

“They (the Board) are on top of all the items for the corporation so you have to work hard to keep them satisfied as a client. But for people you like, for people that are fun you don’t mind working hard,” adds Lyndsey.

“We are a very hands-on Board,” says Yvonne. “We take our job very seriously.”

**Act 3  
Scene 2**


*“Cinderella Ending”*

Winston Manor’s new siding has a twenty-five year warranty. The old property management company and property manager are long gone and so is the old Board, the corporation’s previous lawyer, and their auditor. Winston Manor’s reserve fund is replenished, their multi-year siding project is more than half complete, and the residents finally have a fiscally competent, hands-on, transparent, and caring Board and property management company.

“We are lucky to have a very dedicated hardworking Board who has worked relentlessly to make things go better, and they have been very successful,” says Mary Ellen.

“Since the new Board took over there’s starting to be a sense of community again. That had gone,” says Lucy.

Sounds like a happy ending, but wait! Where did that \$181,396 go? Well, two years after Yvonne and Donna began asking that question they, and the other residents of Winston Manor still have no answer. What the Board does know for certain is that the nightmare that once gripped Winston Manor will never happen again – not on their watch.

“CUT!” 



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