



Bill Colucci
B.A., B.E.S., R.C.M., HTG. TECH, ACS, ALB
Senior Property Manager, YCC 26

Condominium Boards

Extra Expense or Added Benefit?

The Case for Professional Directors on Condominium Boards

Condominium board directors possess a wide array of skills and education. Some directors are highly skilled professionals from the corporate world, while others have not had the benefit of these experiences. The make-up of the directors often dictates the professionalism/morality of the board. Many managers have experience dealing with the good, bad and ugly.

While we do not wish to fault those who are inexperienced, and, indeed, as in other industries, any novice can benefit from guidance, training and tutorship, there is a case to be made for “professional directors” – i.e. condo industry experts hired by the corporation to assist the board in making decisions.

However, before considering the value of a professional director, it is worth assessing the pros and cons of the status quo.

Directors are often owners or other individuals who have a vested interest in the well-being of the property (and, indeed, a condo corporation can pass a by-law requiring directors to be owners), so the typical director will be motivated to ensure the best interests of the condo and its occupants. Additionally, directors act on a voluntary

basis (there are only a handful of condos that remunerate directors), so the work of directors is a great benefit to the condo at no cost.

While education plays a large role in decision-making, directors presently may serve for as long as 6 months without any professional education, by which time they are statutorily required to complete what is basically a level #101 education. A professional director can provide assistance and guidance to bridge any gap in experience, skill or knowledge.

The foregoing begs the following question: Why should a condo hire a professional director if it already has a property manager?

For one, while a polite property manager, who is an employee of the Corporation and serves the board, may often be reticent to tell the board of an obvious decision-making flaw, a professional director would have no such trepidations since they should be participating on an equal footing with the rest of the board.



Furthermore, the condo industry is growing, as is the responsibility of managers, so often the manager is alone attempting to advise a board who has ingrained opinions that may be correct or practical in another industries, environments, or cultures but are just plain wrong in condominiums in Ontario. A professional director would provide a supplementary objective perspective to ensure good decision-making.

While boards and owners are often hesitant to spend money since they usually and immediately translate this into what it will cost them personally, most managers with the skills to serve as professional directors can easily explain how a 10% saving on any one of the major contracts or maintenance costs will immediately pay back more than the cost of his or her service. A professional director should not be viewed as an expense to a condo; he or she is an investment.

If a board is considering hiring a professional director, it should look to a seasoned

manager. Since condominium management has often been a second career for so many in the industry, many professional property managers are facing retirement or a career change, or perhaps want a second income. There is no shortage of skilled managers who would gladly sit in on board meetings once a month, receive and send some tactful emails, and advise and counsel for a fee. Property managers

have the cross-industry experiences, legal understanding, people skills and exposure necessary to address problems quickly and efficiently. Professional board members, however, must still be elected by the owners. As well, the Condominium Act, 1998 requires a corporation to pass a remuneration bylaw before a condo can remunerate a director. A remuneration bylaw is only valid for 3 years.

The concept of a professional director is not new; however, it is due. Boards will almost certainly save more money (and time and effort) with someone helping them to make good decisions, as compared to the cost of the professional director. As the condo industry continues to evolve, boards should strongly consider if they would benefit from the experience of a professional director. **CV**



Condominium | Residential | Commercial | Rental

Nadlan-Harris
Property Management Inc.

We are a team of dedicated experts, specializing in professional property management of:

- High-Rise/Low-Rise Condominiums
- Residential/Commercial/Industrial
- Town Home Condominiums
- New Condominium Development Consulting
- Customized Community Websites
- Shared Facilities

Proud members of:   

500 Champsagne Drive, Toronto, Ontario, M3J 2T9
Tel: 416-915-9115 Ext. 25 Fax: 416-915-9114 Email: info@nadlan-harris.com
www.nadlan-harris.com

Attention Condo Board Members

Question: How many "Condo Management Companies" are out there, looking for your business?

Answer: OVER 200!!!

- Which one are you going to choose?
- Do you know what to ask them?
- Can you verify how good they really are?

With 40 years experience assisting condo directors administer their communities, **I can help YOU.**

I provide an intensive program that assures the most suitable management available for your condominium community.

I teach directors what to look for, how to choose the best management company, and how to assess their performance.

I've assisted condominiums all over the GTA. (References available)

INTRODUCTORY MEETING WITH ME IS FREE!

Call Alan at ***A. R. Consulting***
416-932-9510
Fax: 416-932-9769 E-mail: ar@condominiumconsulting.ca
Website: www.condominiumconsulting.ca

Big or Small, We Manage Them All!

Prompt responses, stellar customer service and experienced property management is what makes Capitalink Property Management stand out from the rest.

We manage all types of condominium properties and offer consulting for new condominium developments. Contact us for a free consultation.



(416) 502 9800 or (519) 341 5000
www.capitalink.ca | info@capitalink.ca