

# How Is Your Property Manager Doing? A Checklist

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**M**ulti-unit condominiums often have professional managers running their operations. The relationship between corporation and manager is covered by a management agreement. These management agreements are helpful to review when the board is looking to evaluate the work done on behalf of the corporation by the property manager.

While each management agreement is different, there are some common clauses that any board should look to when creating an evaluation tool. We recommend using these clauses as a starting point and then having board members and if you wish, owners, providing a grade or ranking to the property manager based on this duty or responsibility and then providing feedback. Below is a list of common duties and responsibilities of property managers.

## The Property Manager:

- Agrees to manage the property on behalf of the corporations in a faithful, diligent and honest manner and subject to the direction of the board;
- Is familiar with the terms of the Declaration and By-Laws of the corporation, including the Common Element Rules for each Corporation being Schedule "A" to the By-Law (the "By-Laws"), accepted for registration pursuant to the Act;
- Will enforce the terms of the Declaration, By-Laws and rules and regulations and any amendments which presently exist for each Corporation or which may be made and notified to the Manager in writing;
- Will communicate to all Owners the text and importance of any further by-laws or rules and regulations;
- Will advise and consult with the Board with respect to any further by-laws, rules and regulations which in the opinion of the Manager ought to be established to further the harmonious and satisfactory operation of the Property for the common benefit of the Owners;
- Will prepare and keep current the register of the By-Laws of the Corporation from information supplied by the Boards, including:
- A Unit Ownership register showing the names of the Owners, as notified to the Corporation, the addresses for service of the Owners, the proxies from time to time in force, and the names and addresses for service of all mortgagees who from time to time give notice of registration of their mortgages to the Corporation.
- Will provide all appropriate financial management services, including without limitation the Manager shall collect and receive all monies payable by the Owners under the Declaration and By-Laws for each Corporation, in trust for the Corporations, and deposit them in separate trust accounts to be maintained by the Manager and be used by the Manager to:
  - Make timely payments of all accounts properly incurred by or on behalf of the Corporation
  - Arrange and pay for insurance in accordance with the provisions of the Declaration and By-Laws for each Corporation in amounts directed by the Boards
  - Repair and maintain, or cause to be repaired and maintained, those parts of the Property which require repair and maintenance by the Corporations in accordance with the provisions of the Declaration and By-Laws for each Corporation and without limiting the generality of the foregoing, such repair and maintenance shall include:
    - All furnishings and equipment used in and about the common elements, and all lawns and landscaped areas; snow removal; provision of cleaning services, pest control, uniforms for employees, office supplies and equipment necessary for the performance by the Manager of its obligations hereunder;
  - The keeping of the Common Elements in a neat and tidy condition by the removal of garbage therefrom;

- Keeping all electrical wiring circuits and lighting fixtures in the common elements in good working order;
- Engaging whether as employees of the Manager or on behalf of and as employees of the Corporations, and whether by seasonal contracts or otherwise, maintaining and supervising such staff as may be required at all times promptly and efficiently to carry out the foregoing;
- Repair and replace Components of the Property (as defined in the Condominium Regulations) in accordance with the reserve fund study.

### Record Keeping:

- In connection with all contracts to perform work or services, execute and file all necessary documents, and do and perform all acts required under the laws of any government body or authority, provided however that the Corporations' tax returns are to be filed by the Corporations' auditor;
- Keep proper and accurate accounts of the financial transactions involved in the management of the Property and render to the Boards quarterly statements of income and expenditures (not before 60 days after the end of the quarter) with respect thereto and keep such accounts open for inspection by the respective Boards or any Owner or mortgagee of a Unit at all reasonable times; the accounts of the Manager as aforesaid such being audited no less frequently than annually by a chartered accountant appointed by the Boards, and such audit shall be at the expense of the Corporations;
- Ensure the efficient administration and security of the Property including, without limitation, engaging (whether as employees of the Manager or on behalf of and as employees of the Corporations) such staffing and employees, which in the sole discretion of the Manager, are necessary to perform its obligations hereunder;
- Provide to the Corporations all appropriate physical and administrative management services to and for the Property, including without limitation those services listed above;
- Be the primary liaison with NAME OF ANY COMMERCIAL/CORPORATE CONTACTS and arrange and coordinate those acts on behalf of the Corporation necessary to carry out any agreements between NAME OF ANY COMMERCIAL/CORPORATE CONTACTS and the Corporation;
- Manage and maintain the Property in a first-class manner that is consistent with current operations.

### Personnel:

- Provide, through the Manager, such staff, office space, computer equipment and software, phones, internet access, stationery, Xeroxing and printing facilities, and general office equipment and services as may be necessary for the Manager to perform its duties hereunder;
- The Manager will provide such full-time, part time and seasonal staff as, in its opinion, acting reasonably, is necessary to perform its functions hereunder;
- The Manager, or its designated persons, shall be required to attend, at most, four meetings of each board per annum;

- To pay all bills on behalf of the Corporations as may be necessary for performance of its obligations hereunder;
- To contract directly with third parties (or, at its option, required the Corporations to enter into such contracts directly) for the provision of any or all of the services required by the Manager hereunder. The Manager will not be required to seek alternate bids for any contracts not exceeding \$5,000.00;
- To administer, on behalf of each Corporation, their respective obligations pursuant to the Sharing Agreements;
- The manager will take direction only from the nominee of each of the Boards designated for such purposes and will not be required to take direction from any other person, including, without limitation, any Owner, Officer of either Corporation or other individual Board Member of either Board. The employees and contractors of the Manager will only be required to take direction from the Manager.

### Budget Preparation:

- Budget: at least 60 days prior to the beginning of each fiscal year during the term of this contract, the manager shall furnish to the Boards in writing an estimated budget for the following year setting forth by categories the Manager's best estimate of all expenses of the operator of the property for the coming year;
- Upon request of the boards or whenever in the opinion of the Manager any change from the expenditures forecast in the annual budget makes it desirable to do so, the Manager will submit to the Boards a supplementary budget covering the expenses of the operation of the Property for the then remaining portion of the current fiscal year;
- The manager will provide a recommendation to the Boards concerning the Common Expenses (including without limitation contingency and reserve funds) that should, in the Manager's opinion, be assessed in order to maintain the Common Elements of the Property to a high standard;
- The Manager will at all times keep the Boards and all Owners advised of the telephone numbers at which an agent of the Manager may be reached at any time during normal business hours in respect of any infraction of the Declaration, By-Laws or rules and regulations of each corporation, or at any time during the day or night in respect of any emergency at the Property.

### Emergencies:

- The manager will make arrangements to deal promptly with such infractions and immediately with any emergency arising in connection with the maintenance and operation of the Property;
- The Manager shall deal in the first instance with minor emergencies and infractions and shall forthwith report to the Boards any major emergency or any persistent, flagrant or serious violation of the Declaration, By-Laws or rules and regulations of each corporation. It is understood and agreed by the parties hereto that the Manager shall, in its discretion, determine whether or not an emergency exists and whether or not such emergency is of a minor or major nature. ■