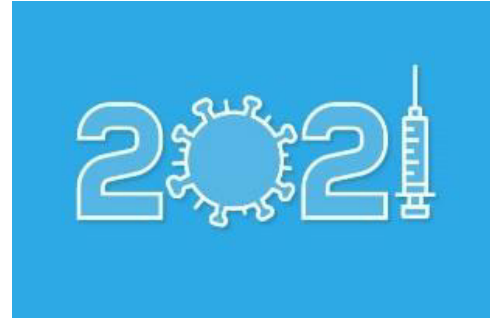


As 2021 comes to a close, we let out a sigh of relief. 2021 was better than 2020, but it still was a year full of challenges. We did our best to carry on with our lives and stay healthy. For many, it was a year with a new perspective on life. For others, it was a year that cannot end soon enough. Yet, with the end of this year, we look forward to starting a new year.



Keough & Moody wishes you all a happy holiday season. We thank you for your continued support and look forward to starting 2022 with you and your community and immediately focusing on how we can help make 2022 a better year for you and your members.

Chuck, Dawn, and Gabby

The Twelve Days of Community Association Christmas (Inspired by the Song “Twelve Days of Christmas”)



On the first day of community association Christmas, my community received a professional community association manager.

As we always say, a good community association manager is worth his/her weight in gold. A community association manager is tasked with handling the day-to-day operations of a community and helping to carry out the direction of the Board. December is a good time of year to thank your community association manager for that all that he/she has done throughout the year (including taking the angry phone calls and emails from your owners) and to help refine goals and expectations for the coming year.

On the second day of community association Christmas, my community received

two document requests.

Under applicable Illinois law, owners are entitled to inspect certain documentation of the association. **Any time** an owner seeks to review or obtain copies of association documentation, it is important that a response be prioritized as failure to respond within the designated timeframe (ten days for condominiums and thirty days for non-condominiums) may lead to legal consequences for the association. If there is ever a question about whether an owner is entitled to review or receive a document, speak to your legal counsel.

On the third day of community association Christmas, my community received three owners in violation of the Rules and Regulations.

As we look to 2022, now is the ideal time to review the Association's Rules and Regulations in order to determine whether updates are warranted. If your Rules and Regulations have not been updated since the ten-year anniversary of the release of the movie "Elf," they likely require a look. It is important that your Rules and Regulations are consistent with the terms of your association's governing documents, clear and concise, and reasonable. Further, times have changed. What worked for your association in 2013 (ten-year anniversary of the movie "Elf"), may no longer work for your community in 2022. Finally, Rules and Regulations should contain a hearing process and fine schedule, which the Board is able to adhere to and which encourages owner compliance.

On the fourth day of community association Christmas, my community received four delinquent owners.

Unfortunately, most communities have at least one delinquent owner, if not more. Even though it is the holiday season, Boards still have the obligation to collect assessments. After all, assessments are the lifeblood of the association and without them, the Board is unable to perform contractual repairs. Having a collection policy for your association helps ensure that there is a procedure in place for the collection of delinquent assessments and that the process treats all owners equally. If your association does not have a collection policy, adopting one should be on the "to-do" list for 2022.

On the fifth day of community association Christmas, my community received five engaged Board members.

Without Board members, community associations cannot properly run. Board members are the captain of the community association ship and establish the course for the community. By having engaged, prepared Board members, communities can be sure that their Board is leading them to smoother waters. While decisions may be difficult and the path often rocky, please note that your volunteer service is fully appreciated by those of us serving community associations (and likely, the vast majority of your owners). **Thank you** for all that you do for your community.

On the sixth day of community association Christmas, my community received six 22.1 disclosure requests.

Have you reviewed your association's 22.1 disclosure this year? If not, you should do so. With real estate transfers, associations are required to disclose certain information to prospective buyers, including any pending litigation or any anticipated capital expenditures. As buyers rely upon this information, it is important to ensure that it remains accurate and is updated periodically.

On the seventh day of community association Christmas, my community received seven contracts for 2022.

As we end 2021 and look to 2022, now is the time to start planning major projects for the New Year. There continues to be a labor and material shortage; therefore, it is important to plan NOW to make sure your 2022 projects happen in 2022. Major and multi-year contracts should always be reviewed by legal counsel to ensure that the association is protected in the event that things do not go as planned. It is much easier (and less costly) to prevent a problem as opposed to fixing one.

On the eighth day of community association Christmas, my community received eight unkind Facebook posts.

What can we say? It's budget season and the time of year where owners go to social media to complain about assessment increases, management, and the Board. We recommend that Board members remember the words of Elsa and (for the most part), "Let it go! Let it go!" Certainly, there may be times where an owner's social media post may be defamatory or harassing. However, the vast majority of times, the unkind social media posts are simply venting by an owner who is unhappy about a violation notice, assessment increase, or other action (or inaction) by the association. The best response to those social media responses is often a non-response and to not take anything said, personally.

On the ninth day of community association Christmas, my community received nine owner leases.

Did you know that owners are required by applicable law to provide the association with copies of their leases? Did you also know that there are harsh penalties (termination of the lease) that the association can pursue for those owners who fail to comply with the law and respond to association requests? Now you do!

On the tenth day of community association Christmas, my community received ten ballots for the annual election.

If COVID has taught us anything, it has taught us that there is a better way to conduct annual elections – either by mail-in ballot or electronic voting. For condominium associations, Rules and Regulations providing for mail-in ballots or electronic voting must be adopted at least 120 days prior to the election. For non-condominium associations, Rules and Regulations providing for electronic voting must be adopted prior to the election in the same manner as any other rule or regulation. Adopting one of these processes allow owners to easily cast a ballot in the annual election and helps encourage participation.

On the eleventh day of community association Christmas, my community received eleven certificates of owner insurance.

If your community is a condominium or other attached home community, you want to ensure that you have appropriate Rules and Regulations in place governing insurance and requiring that owners submit a certificate of insurance to the association (or its managing agent) at least once a year. Inevitably, there will be pipe bursts or other insurable casualties this winter. Boards need to ensure that they know who to call (in addition to their own insurance carrier, if applicable) in the event of such a loss and that the community as a whole is appropriately protected.

On the twelfth day of community association Christmas, my community received twelve compliments regarding its curb appeal and its financial status.

We often hear (or remember) only the bad things that are said. That's unfortunate because there is so much good with community association living. Board members, community association managers, and their team spend painstaking time helping make sure that the associations under their purview are properly maintained, look attractive, and that there are appropriate funds in the bank to pay for all of the maintenance and improvements, both now and in the future. Board members volunteer their personal time to make the hard decisions (with raising assessments at the top of the list of those hard decisions) and to help build community within their association. This has been especially difficult over the past approximately two years while complaints and frustration have risen to an all-time high due to the pandemic. Despite the couple of negative voices, Boards and community association managers have done an amazing job navigating challenges never-before faced. Not only have most associations met those challenges, but also, they have improved communication and therefore, community, within their communities. While you may not always hear (or remember) the compliments, know that your efforts are appreciated.

If you have any questions about any of the information within this newsletter, please do not hesitate to contact us.

Dawn Moody (d1m@kmlegal.com) & Gabby Comstock (grc@kmlegal.com)

Keough & Moody Webinars

Gabby and Dawn have concluded their webinars for 2021. We have so greatly enjoyed presenting to everyone this past year. We will continue with our presentations in 2022. Please feel free to email us ideas for our future presentations (d1m@kmlegal.com or grc@kmlegal.com).

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