

FOR JUDICIARY COMMITTEE PUBLIC HEARING 3/25/2011

IN FAVOR OF HB 6620 AND SB 1208

Good Morning

My Name is Alan Fishman

I am here today speaking in favor of Bills:

S.B. 1208 (RAISED) AN ACT CONCERNING FINANCIAL REPORTING BY
CONDOMINIUM AND COMMON INTEREST COMMUNITY

H.B 6620 (RAISED) AN ACT CONCERNING CONDOMINIUMS AND
COMMON INTEREST COMMUNITIES

I currently live in Norwalk Conn. In a 40 unit condominium overlooking the East
Norwalk Harbor.

Over the past 36 years I have been involved in the development and management of my
own condominium projects. I have written the condominium documents for each of the
projects I have been involved in and co-wrote SB 1208 with Senator Bob Duff.

My wife and or myself have owned and lived in condominium residences in Stamford,
Norwalk and Vermont.

Current Condominium situation:

- Association Boards are acting with impunity
- There is no oversight, regulation, or enforcement
- There is no rule of law
- Our existing statues are great for board members with good intentions
- Operating accounts, Reserve Fund accounts, Taxing District Accounts, Assessment Funds, and any clubs or Marinas that all unit owners do not have an interest in , are not forced to segregated their funds, keep separate bank accounts, or file separate monthly reports showing cash in and cash out for each entity. ,
- Funds are being co-mingled

- Financial statements are difficult or impossible to understand
- Financial statements are not easily available to all unit owners every month.

A few of my personal experiences

• A Board President took money from association funds and invested those funds in his personal business

- A Board president Approved for payment in full , a partially finished project, contracted with her husband's company
- A Board that proceeded with a capital improvement project that was voted down by the unit owners.
- A Board that used operating funds to pay for an assessment shortfall without getting approval from unit owners
- Board lied to unit owners about there being an emergency and an immediate need to proceed with a \$400,000 assessment without getting approval from unit owners. This occurred in a 40 unit condominium.
- A president who Gave false information to the Association attorney in order to extract from the attorney a legal opinion that was needed to go forward with an illegal assessment.
- Boards, in order to avoid having a unit owner vote on spending amount over board approved limits, will make deals to break down larger projects or costs with contractors into smaller projects that cost under the limit allowed to spend

There is a fool proof way to stop all this nonsense:

- vote for Senator Bob Duff's Bill which forces all Associations and management companies to disclose every month how they are spending the association's funds.
- Vote for Senator Bob Duff's bill which will force the segregation of funds , create more transparency , and allow easy access to reports.
- Vote for the Ombudsman bill.....
- Vote for the Dispute Resolution bill

I thank you for allowing me to speak before you gentleman today.

Alan

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