March 28, 2012

To: CT General Assembly Judiciary Committee
From: Kathleen Benedetto
81 Blackbirch Court, Shelton, CT

RE: Written Testimony for Public Hearing March 29, 2012

I have resided at Sunwood Condominiums in Shelton, CT for 8 years and have witnessed abusive boards, "fixed" elections, property mismanagement and, most recently, inappropriate behavior on the part of the management company and it's affiliates. Due to a conflict in my work schedule, I am unable to attend the public hearing, but feel a moral and ethical obligation to speak up at this time with a written testimony.

On February 14th, a worker on a roof in our complex fell to his death. Most of the homeowners either read about this in the newspaper or learned about it on the news that evening. Our management company failed to notify us of this unfortunate accident and questions regarding insurance, contracts, permits, licenses, etc remain unanswered. According to an announcement made by one unit owner at a board meeting, both the board and the management company were notified that the workers were working without fall protection.

We recently held an election for two vacancies on our board and two of the candidates were "targeted" for asking for full disclosure of accounting and assessment records. Our management company attended the "meet the candidates" evening passing out letters criticizing certain individuals for asking inappropriate and unprofessional questions. Proxies were labeled "invalid" without explanation, friends of candidates watched as ballots were being counted, and other actions of various board members remain extremely questionable.

Our board President has taken advantage of his position and "bullies" other board members and many unit owners. Our management company only answers to the President....we are all at the mercy of these two individuals. We have witnessed their rudeness, hostility and anger when asking for information that we have the right to know and they have the obligation to provide.

As residents/owners, we need much more regulation, transparency and truth regarding the following:

- The process regarding the proper vetting of prospective management companies, their experience & track record, background checks of principles, etc. before contracting with them
- Board & management company decisions
- Detailed Board meeting minutes including *all* topics & items discussed & recorded on tape – not a combed version
- A limit on management company fees, power & authority
- How vendors/contractors are selected
    - How to better control, validate and oversee that proposed/hired contractors have proper licensing, insurance, etc. and that these important documents are current and in force throughout the project's life to completion

- **How our condo fees/budget monies are to be used, managed and accounted for according to *standard accounting principles* rather than hard to decipher reports using "creative accounting" – transparency & common sense explanations of line items & expenses**
- **More accountability by management companies as the fiduciary for the association**
- **Association check book records available for review by condo owners with the ability to question transactions**
- **Regular updates on outstanding work orders, especially when owners contact the Board and/or management company directly for these updates.**

I think it's important to have state statutes/laws and a state agency/organization/ombudsman that:

- **Supports and works on behalf of condo owners**
- **Gives owners more of a voice in affecting positive change in our condo communities**
- **Provides clear rules for transparency in budget reporting and more accountability to the owners by the management company and the Board**
- **Provides clear statutes with the support/council of an ombudsman to help owners ask the right questions in pursuit of the truth and help us get the truthful responses we deserve from the Board and property manager in a timely manner.**

RE: CONDO BILLS

HB5536 AN ACT CONCERNING REQUIREMENTS FOR CERTIFICATION AS A COMMUNITY ASSOCIATION MANAGER, LICENSURE AS A REAL ESTATE BROKER OR SALESPERSON AND ORGANIZATION OF A UNIT OWNERS' ASSOCIATION.

I support HB5536, <u>except</u> that I would like to see more provisions in this bill to better protect unit owners. I would like to see mandatory background checks for <u>all</u> property managers as is the case in the new banking statute SB1109. Given the extent of financial responsibility a property manager has, there is a need for more teeth in this bill. In light of recent news of property manager misconduct involving, in some cases, very experienced property managers, who have effectively stolen money from associations, I believe it is important to support this bill and the additional security of background checks. Also, managers who are paid should be subject to the <u>same certification, training and background checks.</u>

HB5511 AN ACT CONCERNING THE BUDGET, SPECIAL ASSESSMENT AND ASSIGNMENT OF FUTURE INCOME APPROVAL PROCESS IN COMMON INTEREST OWNERSHIP COMMUNITIES.

I support HB5511, <u>except</u> for Section 47-261e, Subsection (e). Subsection (e) of this bill should remain unchanged from the existing law. Removing the existing language of Section 47-261e (e) would seriously endanger the well being of our common interest communities.