

Condo Connection

Wilson, Blanchard Management Inc. – *Condominium Management with Experience and Integrity* <u>www.wilsonblanchard.com</u>

The WB Condo Connection highlights Ontario condominium related articles and educational items that may be of interest to Boards of Directors and condo owners. It is published online and available on our website (www.wilsonblanchard.com) as well as in hard copy format to each of the members of our Boards of Directors.

We hope you enjoy this edition and we welcome your comments, suggestions, or article topic requests by email to <u>newsletter.editor@wilsonblanchard.com</u> or by mail to:

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Addition of Phosphate to Drinking Water Supply

By: David Blois Property Manager - Toronto

In early January of this year the City of Toronto notified property owners about plans to add phosphate to the drinking water supply starting in 2014 (spring to mid summer). The phosphate is apparently expected to "form a protective coating inside the City's entire network of pipes, reducing the potential for lead in drinking water", as part of "a multi-pronged approach aimed at minimizing the occurrence of lead in drinking water", according to Larry Korson, P. Eng, Director, Water Treatment and Supply, Toronto Water. More information may be found at <u>www.toronto.ca/leadpipes</u>.

Another positive side effect of adding phosphate to the drinking water is apparently reduced corrosion of the copper piping used in many buildings, which corrosion has resulted in what are known as "pinhole leaks" in the copper. (One important supporting reference is from the Environmental Protection Agency in the US: www.epa.gov/sciencematters/april2011/leaks.htm)

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These leaks in most cases, or generally, only affect the hot water system in larger buildings, as opposed to single family homes, due to the use of circulation pumps. These pumps accelerate the water (to provide hot water to all the suites/apartments more quickly) and cause increased cavitation at, or near, pipe joints and particularly at pipe joints where the direction of the water is changed dramatically – at 90° elbows for instance.

Developers of multi-residential high-rise buildings have typically used type "M" copper piping, which for many years to the present, has been in compliance with local building codes (in Toronto and many other municipalities). However, the wall thickness of type "M" copper piping (and fittings) is fairly thin and has left this piping more susceptible to pinhole leaks within predominantly the potable hot water system. Type "L" copper, a thicker-walled and more expensive piping, is often used to replace any failed type "M" copper. Entirely aside from Toronto's efforts to mitigate the erosion of its pipes with the addition of phosphate (which can take approximately two years after the initial introduction to become effective), it would be very advantageous high-rise residential for future condominium and rental buildings if type "L" copper were to be specified and used, at least for any hot water system.

Modernizing Communications

By: Dean McCabe Vice President of Operations

Seriously ask yourself this question....How many of you get your bills by email to save the \$2 charge? How often do you actually check the mail these days because everything is electronic and all you get are flyers? How often do you actually buy stamps? If you were to sample the public with these three questions you would not be surprised to see that a rising number of people in Ontario would say that the primary method of information exchange and communications that they use are electronic, smart phone applications or a variety of social media.

Electronic communications are becoming the norm these days. It is faster, cheaper, more efficient and even Canada Post would say more reliable! We all recognize that the public has a broad range of technical abilities and some are just more comfortable receiving information in a hard copy. This article is designed to address concerns of the rising cost of communication in condominiums and the problems that use of electronic methods can cause.

There is a reason that condominium corporations have shied away from electronic mail and notices. Primarily in the past it has been the high number of transient email addresses. Owners who do not want to receive communication from their condo corporation at their work email have often provided home email addresses provided free from Gmail, Yahoo!, Hotmail or a number of other free providers. This means that when those sites get swamped with spam the owners simply change their email address and forget to inform the Condo Manager. As a result the challenge is that Managers send important notices, AGM packages and budgets and they are never received...and what is worse is the owners feel that management is not communicating with them.

With the increasing costs associated with "snail mail" it is time for us to overcome some of these challenges and begin communicating more efficiently with owners who have increasing expectations. The first and most important aspect to communicating electronically with owners and residents is to have their permission. This can be done simply by asking them to provide an email address for use by the condo corporation and getting their signed authorization (or electronic authorization) to use that electronic address for all communications with the owner or resident. This includes notices, AGM packages, insurance certificates and budgets. This can also include arrears notices, rules infractions, newsletters and other community news.

The second step is to ensure that owners and residents feel comfortable providing this information and are secure in the knowledge that the information is not shared, sold or disclosed to third parties, and is not used other than for the purpose of the business of managing the condominium. This can be tricky and involves the practice of good business email etiquette. For example: sending an email to seven owners and including each of their email addresses in the "cc" or "to" boxes of an email rather than using the "bcc" option, could be seen as unauthorized distribution.

The third step, (and the final one for this article) is for management and the Board to realize that this important time and money saving step can have unintended consequences. When owners are communicated to by email, it in turn gives license for them to communicate to the Board electronically. This means an increase in short, sometimes abrupt seemingly or aggressive communications. Experts have found that emails are often misinterpreted, and Managers and Board members may need to recognize that the tone of emails can often be viewed as more harsh that the writer intended. It is also important to remember that electronic communications cannot give the writer license to expect immediate response. While the delivery and receipt of email is indeed faster, the Manager still requires time to investigate and contemplate the questions or views of the owners or residents, and in many cases time to discuss options and get direction from the Board.

In Part 2 we will discuss the use of websites and mobile devices in communicating with owners. Stay tuned....

Chargebacks: The bright side of a not-so-bright thing

By: Nick Obermeyer Account Administrator- Hamilton

Unit owners inevitably hate having an amount charged to their unit. You've heard the story: some water leaked into the unit below; a dog left a mess on someone's lawn; or a tenant scraped the wall while moving in (it happens). So why is there a bright side?

Imagine a scenario where you move into a condo and you are surrounded by unruly neighbours (it happens), and they start damaging common elements: should they be charged, or should you? Well, you know the answer: they should.

But why?

Common elements are properties that are collectively owned. If one person begins damaging the collectively owned property, then by all means possible the unit owner responsible should repair, replace, or remove any trace of damages to the common elements.

What would happen if the Corporation didn't issue a chargeback?

Imagine a scenario where your unruly neighbour pours water into your unit, leaves their dog's mess on your lawn, or their tenants scrape the walls while moving in (it happens). Would you volunteer to pay for the repair, replacement or removal of whatever damages were incurred, or would you expect those that caused the damage to be responsible for paying the bill?

Not such a bad thing now, is it?



Accounting Updates!

By: Paula Davis, Chief Financial Officer and Jeff Lack, Manager of Financial Reporting

Reminder – Go Green with Paperless Financial Statements

Each year Wilson, Blanchard Management produces over 27,000 Financial Statements for our Boards of Directors – that's over 250,000 pieces of paper. If we can send even half of these electronically, we can save a lot of trees.

If you, or any of the members of your Board, would like to receive your monthly Financial Statement package by email in PDF format, please speak with your Property Manager and help us help the environment.

Bank Reconciliation Change

We are excited to announce that beginning with the June monthly Financial Statements, the current month bank statements and bank reconciliations are now included for every property that we manage – you may have already noticed this change in your monthly Financial Statement package. Previously, these reports were only included by special request – most properties received the prior month's banking information in their monthly package.

The Wilson, Blanchard Management accounting team has worked hard to make changes to our internal systems that allow us to be more efficient in the preparation of the bank reconciliations, thereby providing our Boards of Directors and the Property Managers with improved monthly reporting. Thank you to all of accounting for working together to make this possible. We will continue to review the new system over the coming months to ensure our Financial Statements are delivered to our clients as quickly as possible without compromising our quality control procedures.

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Accounting Customer Service Week Spring, 2014

By: Paula Davis Chief Financial Officer

In the early spring, Jeff Lack, Manager of Financial Reporting for Wilson, Blanchard Management Inc., and I held sessions for any board members interested in learning more about our monthly financial statements. It was a success with over 70 Corporations in attendance. The sessions were so well received that we will look to hold more sessions in the fall or winter of 2014, if we have enough interested parties. If you would like to attend an event such as this in Hamilton, Toronto or Waterloo Region please send me an email at paula.davis@wilsonblanchard.com so that we can assess numbers and interest.

In addition to the educational sessions we are available to answer financial questions or concerns that may arise with your Corporation. I can be reached at the email listed above and Jeff's email is jeff.lack@wilsonblanchard.com. We can both be reached by telephone at the Hamilton number listed below.

Welcome!

Wilson, Blanchard would like to welcome our newest managed properties:

- H.C.C. 87
- N.N.C.E.C.C. 236
- Y.C.C. 271
- W.S.C.C. 500
- T.S.C.C. 1655 Bloor Walk/Couture Shared Facility
- T.S.C.C. 2361
- W.S.C.C. 380
- H.V.L.C.C. 3
- T.S.C.C. 1513
- T.C.E.C.C. 1815
- W.C.E.C.C. 511
- W.S.C.C. 512



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