



# Community Newsletter

The Voice of Condominium, Civic, & Homeowner Associations of Pasco County

Volume 3 - Issue 6

Council of Neighborhood Associations, Inc. since 1985

September 2005



**C.O.N.A.**

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## "Up-to-Date on Finances"

Wednesday, September 21  
at 9:30 a.m. at the  
New Port Richey City Hall,  
in chambers, at 5919 Main Street  
New Port Richey

**Our CONA Meeting will feature:**

**John Ralph, Jr., CPA**

Mr. Ralph will speak on  
*Proposed Budgets & Reserves*  
for  
*Capital Improvements.*

He will also speak on the **NEW**  
*requirements on audits &*  
*pooling of reserves*

Mr. Ralph, Jr. is a Certified  
Public Accountant  
6858 Central Avenue, Suite B  
St. Petersburg FL 33707  
(727) 381-6850  
e-mail john@jra-cpa.com

For more information on finances  
see page 3

*CONA member meetings are open to all who wish to attend. Bring a friend. We need your support.*

*Cona tries to bring residents up-to-date on what is going on around us that affects our every day lives.*

## **President's Message**

I thought I was going to get to loaf for the three months that CONA does not meet.

**NOT SO!**

A short article was printed in the Tampa Tribune in early May concerning the activities of the Carrolwood CONA and the Pasco County CONA and mentioned my name along with Tom Jones of Carrolwood. Somehow a Dick Spears of Orlando read the article and contacted the two of us concerning the possibility of organizing a state wide organization of homeowner associations and condo associations to repeal some of the laws passed during the 2004 session.

As you know, we were successful in defeating several bills in the 2005 session that would all but destroy homeowner associations as we know them today.

Dick Spears (who is past president of Orange County Homeowners Association, which represents over 200 homeowner associations in that county.) Tom Jones and I met in Tampa in late May to discuss our problems and the organization of a state-wide organization. We immediately started contacting other organizations and found an enthusiastic group wanting help in warding off unfavorable legislation. We currently have organizations in Pasco, Pinellas, Hillsboro, Duval, Palm Beach, Leon and Orange

**see President, page 2**

## President

Counties who have joined our group. We believe we will have groups from from Sarasota and Miami/Dade Counties as well. As best we can determine, this group represents approximately 2,000,000 homes.

Next, *we needed a plan of action*. Our most immediate need was to address changes made to the 720 Florida Statutes during the 2004 session. We had several meetings, receiving suggestions from other CONA groups and everyone had an idea on what should be in the new bill. There is an old adage that a camel is an animal put together by a committee. This was what our bill was beginning to look like.

Dick Spears and I had a meeting in Pasco County in late July during which Dick stated, "what was wrong with 720 pre-2004 sessions?" It needed minor tweaking, but not a major overhaul. So why not return to that? We went to see Senator Mike Fasano and he agreed to sponsor our bill in the Senate for the 2006 session and we contacted Andy Gardiner (Majority Leader in the house) and he stated he would get a strong representative to co-sponsor it in the house. The bill is now in drafting and will start its way through committees in September.

We will be asking you to e-mail and write to your representatives and senators once the bill gets introduced next spring. □

The name we have chosen for this organization is Coalition of Community Associations, COCA, and we will soon have a home page on the Internet at [www.cocaf.org](http://www.cocaf.org)

### **COCA's Mission - It is the mission of COCA to:**

- Create and organize a statewide coalition composed primarily of consumer property owners residing in community associations and other similar organizations throughout the state.
- Advance the political concerns of the greatest number of owners living in community associations and quality of life issues in those communities.
- Propose and lobby effectively for POSITIVE legislation intended to foster neighborhood tranquility, stability and property values - the real reason community associations exist.
- Be kept informed by elected officials and staff members of pertinent information regarding potential or filed legislation and issues that affect our communities.
- Establish open lines of communication between Federal, State, County and municipal elected officials, their staff members and the members of COCA, representing millions of citizens who reside in our member Homeowner, Condominium, and Neighborhood associations in the State of Florida.
- Act as a voice for advocating better legislation and government.
- Provide favorable public commentary and public relations on issues of general concern to the coalition.
- Assist in generating grass-roots expressions of support for favorable positions.
- Create a central repository of information that can be disseminated quickly via electronic media, including a well-run website.
- Be free from control by any industry or special interest group.
- Support the local (i.e. in-community) resolution of disputes.
- Minimize governmental intrusion in the operation of communities.
- Promote a rational public policy that balances the collective good and individual rights to property and privacy.
- Uphold the dignity of all community association residents.
- Encourage a planned, efficient and environmentally sensitive land use, growth management and development policy
- Encourage the recognition that the interests of community associations are not separate from the collective interests of their members.
- Foster statewide communication on matters of common concern and to provide support for local initiatives.

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## **End of Year Financial Considerations**

Every association has financial considerations that need to be addressed on an annual basis. Below are four of those issues that most associations will choose to deal with during the last few months of each year.

### **BUDGET APPROVAL**

One of the strongest management tools for any association is the annual budget. Check your condominium documents to determine whether the board is authorized to adopt a budget without the vote of the membership. The board of administration is required to furnish a meeting notice and copies of the proposed annual budget of common expenses to the unit owners not less than 14 days prior to the meeting at which the budget will be considered.

### **WAIVE OR REDUCE RESERVES**

The proposed annual budget, in addition to operating expenses, is required to include reserve accounts for capital expenditures and deferred maintenance including roof replacement, building, painting, and pavement resurfacing regardless of the cost, and any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000. The actual finding of these items can be excluded from the approved budget by a majority vote at a duly called meeting. This vote is good for one year at a time only. Without the vote, the items described above must be fully funded.

### **FINANCIAL STATEMENTS**

Associations operating 50 or more condominium units and having annual revenues of more than \$100,000 are required to have their financial statements compiled, reviewed or audited, unless a majority of the voting interests present at a duly called meeting of the association, have determined for a fiscal year to waive this requirement. The meeting must be held prior to the end of the year and each waiver is effective for only one fiscal year. Absent the association waiving the requirement, the following reports are required.

#### **Compilation**

Annual Revenues 100,000 - 199,000

#### **Review**

Annual Revenues 200,000 - 399,999

#### **Audit**

Annual Revenues 400,000 - and above

The statements must be completed within 90 days from the end of the year. In the event the financial statement requirement is waived, the association is required to prepare a financial report of actual receipts and expenditures for the previous 12 months.

### **UNAUTHORIZED USE OF FUNDS**

If during the year monies were "borrowed" for use other than what the monies had been accumulated for, it should be transferred back or an appropriate vote should be taken to keep the monies as they were "temporarily transferred."

Furthermore, reserve funds and any interest accrued on them is required to remain in the reserve account and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority of the voting interests. This requirement also provides that monies accumulated for a reserve item cannot be spent on another reserve item without prior approval.

*Printed with permission from John F. Ralph, Jr. and CAI Suncoast Chapter's Newsletter* □

#### ***LIVING NEXT DOOR TO A TREE***

*We are frequently asked whether the owner of a tree can be required to remove it if it is causing damage to an adjoining property. The answer to this question comes from the 1987 case #512 Sp2d 218 )5yj DCA)*

*In the above referenced case Mrs. G. brought an action against her next door neighbors, the H's, because encroachment resulted in (a) branches damaging her roof, (b) tree roots cracking her cement walkway, (c) fallen leaves causing her pet dog to contract a severe allergy, and (d) shade from branches causing her vegetation to die.*

*The court was not impressed with Ms. G's case and found in favor of the H's. As the basis of its decision, the court set forth the following two rules of law that are followed by the Florida courts:*

- *The rule at common law and the majority rule in this country, which is followed in Florida, is that a possessor of land is not liable to persons outside the land for a nuisance resulting from trees and natural vegetation growing on the land.*

- *The adjoining property owner to such a nuisance, however, is privileged to trim back, at the adjoining owner's own expense, and encroaching tree roots or branches and other vegetation which has grown onto his property.*

*Accordingly, while other factors may have an impact on the above statements of law, generally an owner of a tree is not liable for damages caused by their tree.*

*✓ Pasco County code says you need a permit to remove a tree and you must get your neighbors permission to go onto their property*

*Reprinted from an e-mail by The Association e-Lawyer of Taylor-Carls, P.A See disclaimer on page 2* □

**VOLUNTEER !**

**C.O.N.A. NEEDS YOU!**

*C.O.N.A. is looking for  
candidates to run for open positions on the  
Board of Directors for the November, 2005/6  
Annual Membership Meeting*

**NINE POSITIONS ARE OPEN**

**All board positions are for a one-year term.**

**"TRY IT, YOU'LL LIKE IT." YOU'LL MEET GREAT  
PEOPLE, SENATORS, REPRESENTATIVES, AND COUNTY  
COMMISSIONERS, WHILE HELPING YOUR COMMUNITY.**

Are you good at making decisions?

*Don't let the other guy do it...C.O.N.A. needs your expertise.*

*You get a 3-month vacation,  
without pay of course, no income tax to  
pay, and you serve only  
nine months out of twelve*

**Call any Board member**

*Names, telephone numbers, and e-mail addresses of board members are on the  
front page of our Newsletter*