



RENEWAL DEADLINE

September 30, 2026

# CAM

## Continuing Education Course

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- ✓ **FREE** same-day grading and report to the DBPR.
- ✓ Simple to navigate and complete.
- ✓ **FREE** Certificate of Completion.



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**Gold Coast Schools**

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# Quick start guide

## How to renew your CAM license

**Gold Coast Schools makes it easy** to renew your Florida Community Association Manager license by completing the required 15-Hour CAM or 17-Hour HOA-CAM Continuing Education requirement.

### **EVERYTHING NEEDED TO COMPLETE YOUR LICENSE RENEWAL REQUIREMENT IS INCLUDED IN THIS BOOK.**

**STEP 1** Use this book to answers found on pages E1-E7.

**STEP 2** Submit your answers using our instant online grading [GoldCoastSchools.com/cam-grading](https://GoldCoastSchools.com/cam-grading), or mail your answer sheet along with payment to: **Gold Coast Schools 2101 Park Center Drive, Suite 190, Orlando, FL 32835**, or bring your answer sheet to any Gold Coast Schools location near you.

**STEP 3** Contact the DBPR to pay your state license renewal fees by visiting [myfloridalicense.com](https://myfloridalicense.com) or call **1-850-487-1395**.

**IT'S THAT EASY!** Upon completion, we report your completion records to the DBPR for you and provide you with a certificate of completion for your records at no additional charge.

### **ADDITIONAL INFORMATION**

#### **CAM renewal requirements:**

Required CAMs must complete 15 hours of CE. HOA-CAMs need 5 hours related to HOA, 3 hours must be related to recordkeeping, for a total of 17 hours of CE. License renewal fees must be paid prior to the September 30, 2026 deadline. A CAM license held longer than 10 years may be exempt from CE, confirm your status with the DBPR.

#### **Did you get your CAM license within the last 24 months?**

**If so, STOP!** Licensees licensed for 24 months or less at renewal time are exempt from compliance with the CE requirements until the end of the next renewal cycle.

#### **Questions?**

If you have any questions about this course and how to renew your license, our helpful Customer Service Agents are here to assist. **Simply call 1-800-732-9140.**



**CAM CE 2026**  
**ANSWER SHEET**

**STUDENT INFORMATION**

CAM License Number: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Apt./Suite: \_\_\_\_\_ City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**COURSE SELECTION AND PRICING**

Courses	Hours	Price
<input type="checkbox"/> Landscape Maintenance Responsibilities	3	\$30
<input type="checkbox"/> Budget Fundamentals	3	\$30
<input type="checkbox"/> Meetings, Important or a Waste of Time?	3	\$30
<input type="checkbox"/> Legal Update 2025-2026	3	\$30
<input type="checkbox"/> Records Management - HOA	3	\$30
<input type="checkbox"/> A Mindful CAM (HOA Requirement)	2	\$20
<input type="checkbox"/> 15-Hour CAM Package	15	\$129
<input type="checkbox"/> 17-Hour HOA-CAM Package	17	\$147
<b>Total:</b>		<b>\$ _____</b>

**17-Hour HOA-CAM CE (Includes HOA Requirements)**

**15-Hour CAM CE (Non-HOA Manager Requirements)**

**A Mindful CAM (HOA Requirement)**

Landscape Maintenance Responsibilities 3 Hours OPP/ELE Correspondence #9633807 Distance/Online #9633809 Expiration 10/15/2027	Budget Fundamentals 3 Hours IFM/ELE Correspondence #9633810 Distance/Online #9633811 Expiration: 10/15/2027	Meetings, Important or a Waste of Time? 3 Hours HR/ELE Correspondence #9633803 Expiration: 10/15/2027 Distance/Online #9633752 Expiration: 09/28/2027	Legal Update 2025-2026 3 Hours LU Correspondence #9633815 Distance/Online #9633814 Expiration: 10/15/2027	Records Management - HOA 3 Hours HR/ELE 3 Hours HOA-Recordkeeping Correspondence #9633800 Distance/Online #9633802 Expiration: 10/15/2027	A Mindful CAM (HOA Requirement) 2 Hours HOA/ELE Correspondence #9633805 Expiration: 10/15/2027 Distance/Online #9633753 Expiration: 09/28/2027
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**STUDENT AFFIDAVIT**

I hereby certify that I personally (and without assistance) completed this CE course.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*For Office Use Only*

Date Rec'd: \_\_\_\_\_

Student ID: \_\_\_\_\_

**GRADING AND PAYMENT OPTIONS**

To complete one or more of these courses and meet your CAM license renewal requirements, choose one of these methods:

- Instant Online Grading:** For instant results, register online with your payment and submit your answers (Quickest method)
  - Visit [goldcoastschools.com/cam-grading](http://goldcoastschools.com/cam-grading)
  - Click the "Submit Answers" button of the specific course or package you chose above
  - Click the "Secure Checkout" button to register, remit payment, and complete your course/package exam(s)
- In Person:** Bring your completed Answer Sheet and payment to one of our convenient Gold Coast locations to have it graded in person. To find a location near you, visit [goldcoastschools.com/about-us/campus-locations](http://goldcoastschools.com/about-us/campus-locations)
- By Mail:** Mail your completed Answer Sheet and payment to **Gold Coast Schools, 2101 Park Center Dr., Suite 190, Orlando, FL 32835**. Make your check payable to Gold Coast Schools. We do not accept credit card payments by mail.

Upon completing your course, a Certificate of Completion will be available to you, and Gold Coast will report your hours to the DBPR.

For assistance, call: Registration: 800-732-9140; Technical: 954-315-7698; Instructor: 561-968-4323



# CAM CE 2026 COURSE EVALUATIONS

Your feedback is important to us! Please take a few minutes to complete the evaluation for each of the CAM CE 2026 courses below by choosing a response to each statement and submit with your answer sheet. Or scan the QR code to complete the evaluation online.

<b>Landscape Maintenance Responsibilities in Community Associations</b>	<b>Poor</b>	<b>Good</b>	<b>Excellent</b>	<b>N/A</b>
The learning objectives were clearly stated.				
The course content was clear and organized.				
The course material was relevant to my profession.				
The instructor and/or technical support were satisfactory.				
I felt prepared for the course exam.				
Additional comments:				
<b>Budget Fundamentals</b>	<b>Poor</b>	<b>Good</b>	<b>Excellent</b>	<b>N/A</b>
The learning objectives were clearly stated.				
The course content was clear and organized.				
The course material was relevant to my profession.				
The instructor and/or technical support were satisfactory.				
I felt prepared for the course exam.				
Additional comments:				
<b>Meetings, Important or a Waste of Time?</b>	<b>Poor</b>	<b>Good</b>	<b>Excellent</b>	<b>N/A</b>
The learning objectives were clearly stated.				
The course content was clear and organized.				
The course material was relevant to my profession.				
The instructor and/or technical support were satisfactory.				
I felt prepared for the course exam.				
Additional comments:				
<b>Legal Update 2025-2026</b>	<b>Poor</b>	<b>Good</b>	<b>Excellent</b>	<b>N/A</b>
The learning objectives were clearly stated.				
The course content was clear and organized.				
The course material was relevant to my profession.				
The instructor and/or technical support were satisfactory.				
I felt prepared for the course exam.				
Additional comments:				
<b>Records Management for HOAs</b>	<b>Poor</b>	<b>Good</b>	<b>Excellent</b>	<b>N/A</b>
The learning objectives were clearly stated.				
The course content was clear and organized.				
The course material was relevant to my profession.				
The instructor and/or technical support were satisfactory.				
I felt prepared for the course exam.				
Additional comments:				
<b>A Mindful CAM</b>	<b>Poor</b>	<b>Good</b>	<b>Excellent</b>	<b>N/A</b>
The learning objectives were clearly stated.				
The course content was clear and organized.				
The course material was relevant to my profession.				
The instructor and/or technical support were satisfactory.				
I felt prepared for the course exam.				
Additional comments:				

# FLORIDA CAM CE 2026 COURSE EXAMS

## LANDSCAPE MAINTENANCE RESPONSIBILITIES EXAM

This course begins on page 1. Please record your exam answers on the Answer Sheet.

- The initial (landscaping) materials may be selected by the community developer's team, but after the developer has turned control over to the community association, routine maintenance and necessary changes will be the concern of which entity?
  - Department of Business and Professional Regulation (DBPR)
  - International Association of Landscape Exology (IALE)
  - The association's board of directors
  - Florida Department of Agriculture and Consumer Services (FDACS)

*Ref: General Discussion-Florida-Friendly Landscaping*
- Which of the grasses (turf material) is said to be famous for being "barefoot grass" because of how soft it is to walk on?
  - Bermudagrass
  - Centipede grass
  - Artificial Turf
  - Zoysia grass

*Ref: Turf Considerations*
- What invasive species was introduced to Florida in the late 1800s and covered more than 120,000 acres of public lakes and rivers by the early 1960s and be economically damaging to operations that count on the water for transportation and business?
  - Melaleuca
  - Water Hyacinth
  - Air Potato
  - Brazilian Pepper

*Ref: Invasive and Exotic Plants*
- Erosion is a common problem for associations located on land along a shoreline. What are the areas called that use man-made structures, such as seawalls or rip rap to prevent the loss from erosion?
  - Water management district (WMD)
  - Preserve area
  - Reptilian rights
  - Riparian zone

*Ref: Wetlands*
- The use of pesticides (including herbicides) is governed by F.S. 487 that regulates their distribution, sale, and use. Which of the following BEST describes F.S. 487?
  - Florida Environmental Protection Standards
  - Florida-Friendly Landscaping Law
  - The Florida Pesticide Law
  - Consumer Services

*Ref: Pesticides*
- What pest management plan uses an ecosystem-based strategy focusing on long-term prevention of pests and their damage through a combination of techniques, such as biological control, habitat manipulation, modification of cultural practices, and use of resistant varieties?
  - Integrated pest management (IPM)
  - Pest management systems (PMS)
  - Aggressive eradication (AE)
  - The use of rip rap and gabions

*Ref: Responsible Pest Management*
- Many, but not all, counties in Florida require irrigation contractors to be licensed, it is NOT a statewide requirement. However, the DBPR regulates licensing boards that are related to irrigation contracting including all of the following, EXCEPT:
  - Construction Industry Licensing Board
  - Electrical Contractors' Licensing Board
  - Landscape Design
  - Board of Landscape Architecture

*Ref: Irrigation Professional Licensing Requirements*
- The landscape maintenance contract should include all of the following, EXCEPT:
  - Beginning and ending dates of the contract
  - Methods of termination
  - Limitations on scope of work such as tree removal
  - Life and health insurance for crew members

*Ref: The Landscape Contract*
- If the association is only responsible for providing landscaping services to the common areas, not individual parcels, in an HOA, what should a CAM be prepared to do?
  - Inspect and report to the board any unusual circumstances or violations, as part of the covenant and/or rule enforcement
  - Refuse to allow a parcel owner to use a particular landscaper
  - Have a parcel owner arrested if they don't cut their lawn every week
  - Fine a homeowner who is using a zero-scaping plan

*Ref: The CAM's Role*
- CAMs should be familiar with all of the following state statutes that regulate landscaping, EXCEPT:
  - F.S. 373.185
  - F.S. 493
  - F.S. 373.228
  - F.S. 482

*Ref: Valuable Landscaping References*

## BUDGET FUNDAMENTALS EXAM

This course begins on page 15. Please record your exam answers on the Answer Sheet.

1. What best describes a budget?
  - A. A financial plan that provides a projection of income and expenses for a fiscal year
  - B. A statement on expenses for the past calendar year
  - C. A requirement of the Internal Revenue Service
  - D. A requirement of F.S. 207

*Ref: Introduction*
2. The income section of a budget includes income from assessments. If the association allows clubhouse rental by members, what is that income considered?
  - A. Residual funding
  - B. Reserve income
  - C. Non-collectable income
  - D. Non-assessment income

*Ref: Income Section*
3. The SIRS must include items as related to the structural integrity and safety of the building including which of the following?
  - A. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$25,000 or the inflation-adjusted amount determined by the division
  - B. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000 or the inflation-adjusted amount determined by the division
  - C. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$15,000 or the inflation-adjusted amount determined by the division
  - D. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$35,000 or the inflation-adjusted amount determined by the division

*Ref: Structural Integrity Reserve Study*
4. Which statement best describes the operating section of a budget?
  - A. It must be divided into quarters for presentation to members.
  - B. It has specific restrictions on the use of funds allocated for each account.
  - C. It identifies routine, regularly occurring income and expenses of the association.
  - D. It must always be prepared by an accountant.

*Ref: The Operating Section of a Budget*
5. The operating section should include all the following, EXCEPT:
  - A. Non-assessment revenue
  - B. Management fees (if appropriate)
  - C. Maintenance
  - D. Reserves for roof replacement for a condominium

*Ref: Organize the Operating Section*
6. Regarding a bulk service contract (such as cable TV) when developing the budget, which of the following must be considered?
  - A. Such services may never be a common expense of a homeowners' association.
  - B. Such services may be assessed as a common expense on a per-unit basis only.
  - C. Such service may be excluded from the assessment of a hearing or sight disabled member.
  - D. Bulk service contracts may never provide for an increase during the entire contract term.

*Ref: Special Accounts*
7. Which statement best describes a balanced budget?
  - A. The amount budgeted for revenue is equal to the amount budgeted for expenses.
  - B. It permits a deficit but not a surplus.
  - C. The cost of operations and cost of reserves are equal.
  - D. Budgeted expenses must decrease if the assessments are not in balance with the prior fiscal year.

*Ref: Glossary*
8. Who is responsible for providing a proposed annual budget in a condominium?
  - A. The CAM
  - B. The board of directors
  - C. An independent certified public accountant
  - D. No one

*Ref: Elements of the Budget Process*
9. What is the requirement for reserves in a homeowners' association?
  - A. The association must reserve funds for roof replacement of each single-family home in the event of a hurricane.
  - B. F.S. 720.303(6) provides that the budget may include reserve accounts for capital expenditures and deferred maintenance.
  - C. The approval to establish reserves may be obtained by vote of the board at a duly called board meeting or by the written consent of the board.
  - D. Once reserves are established in a homeowners' association, the funding of the reserves may never be waived or reduced.

*Ref: Statute and Code Guidance: Homeowners' Association (HOA)*
10. The requirement for a SIRS does NOT apply to which of the following?
  - A. Buildings that more than three habitable stories in height
  - B. Single-, two-, three-, and four-family dwellings with three or fewer habitable stories above ground
  - C. Any portion or component of a building that has been submitted to the condominium form of ownership and is more than three stories in height
  - D. A residential condominium or cooperative association that is three stories or higher in height

*Ref: Structural Integrity Reserve Study*

## MEETINGS, IMPORTANT OR A WASTE OF TIME? EXAM

This course begins on page 29. Please record your exam answers on the Answer Sheet.

1. Types of meetings required in community associations include all of the following, EXCEPT:
  - A. Meetings of the members
  - B. Municipal code enforcement meetings
  - C. Annual meetings
  - D. Meetings of the board of directors

*Ref: General Information about Meetings*
2. If a condominium association holds its annual meeting via video conference, a quorum of the board must be physically present at a physical location stated in the bylaws or within what distance?
  - A. No more than 50 miles from the association property
  - B. Fifteen miles of the condominium property
  - C. Thirty miles of the clubhouse
  - D. Ten miles of the association property

*Ref: Meetings - Condominium and Cooperative Associations*
3. The minutes of all board and members' meetings are part of an HOA's official records. According to the HOA's retention policy, how long must the minutes be retained?
  - A. For the entire existence of the HOA
  - B. For at least five years
  - C. For at least seven years, unless the governing documents require a longer period
  - D. Until a new board of directors is elected

*Ref: Meetings - Homeowners' Associations (HOA)*
4. Insurance deductible amounts are based on the level of available funds and predetermined assessment authority in a condominium association. How are the deductibles established?
  - A. By the board of directors at the annual meeting
  - B. By the members at a meeting annually
  - C. By the board of directors anytime during the fiscal year with or without a meeting
  - D. When the association is created and they never change

*Ref: Other Reasons for Meetings in Condominium and Cooperative Associations*
5. F.S. 718, 719, and 720 require the use of Robert's Rules of Order (RONR) for which meetings?
  - A. All board, member, and committee meetings
  - B. Board meetings only
  - C. None - No statutory requirement
  - D. All member meetings in condominium associations

*Ref: Procedures for Conducting Meetings*
6. Advantages to using RONR include which of the following?
  - A. Many opportunities to misinterpret the rules
  - B. Possible conflict with state laws
  - C. Possible conflict with the association's governing documents
  - D. Allows the board to keep meetings efficient and productive by strictly adhering to the agenda and prohibiting participants from speaking out of turn

*Ref: Procedures for Conducting Meetings*
7. Which of the following is NOT a Florida statute requirement for member meetings?
  - A. Written notice to be delivered/sent to all members
  - B. Continuous posting of the notice at a conspicuous place on the property for at least 14 days
  - C. Written notice to be delivered/sent a minimum of 14 days prior to the meeting
  - D. Posting the notice a minimum of 48 hours prior to the meeting

*Ref: Meetings - Homeowners' Associations (HOA)*
8. A director of the association who abstains from voting on any action taken on any corporate matter will be presumed to have taken what kind of action on that matter?
  - A. Voted in favor of the action
  - B. Voted against the action
  - C. Took no position with regard to the action
  - D. Abstention will not be recorded in the meeting minutes

*Ref: Meetings - Condominium and Cooperative Associations*
9. When can a meeting of the board or a committee be closed to member attendance?
  - A. Any meeting at which a major association contract is discussed
  - B. Meetings at which member grievances are discussed
  - C. Meetings at which proposed or pending litigation is discussed with the association attorney
  - D. Members can never be excluded from a board or committee meeting

*Ref: Meetings - Homeowners' Associations (HOA)*
10. The board of a residential condominium association of more than 10 units should meet how often?
  - A. At least once each quarter
  - B. At least one time each year
  - C. No less than one time each year
  - D. At least once each month

*Ref: Meetings - Condominium and Cooperative Associations*

## LEGAL UPDATE 2025-2026 EXAM

This course begins on page 49. Please record your exam answers on the Answer Sheet.

1. Related to timeshare management, Chapter 2025-142 (HB 897) exempts CAMs and CAM firms from certain requirements if they manage a timeshare plan and provides certain disclosures that are relate to what?

A. Collection of assessments  
B. Budget approval  
C. Conflict of interest  
D. Record keeping

*Ref: Timeshare Management Firms: F.S. 721 and 468*

2. As an agent of a community association, a CAM or CAM firm may do all of the following, EXCEPT:

A. Take the minutes at a board meeting.  
B. Knowingly perform any act directed by the community association if such an act violates any state or federal law.  
C. Be compensated for performing the services of a CAM.  
D. Post notices on the association property or on its website.

*Ref: Condominium and Cooperative Associations and CAM/CAM Firms: F.S. 468.4334(1)(a)*

3. Florida statute now requires CAMs and CAM firms that are contracted to provide management services to do which of the following?

A. Attend in person at least one association meeting annually.  
B. Attend by video conferencing at least one architectural review committee meeting annually.  
C. Conduct at least one board meeting, in lieu of the board, annually.  
D. Attend in person all board, member, and committee meetings.

*Ref: Condominium and Cooperative Associations and CAM/CAM Firms: F.S. 468.4334*

4. Which entities must disclose in writing to the association their intent to bid on any services related to any maintenance, repair, or replacement which may be recommended by the milestone inspection?

A. Landscape architects  
B. Real estate brokers  
C. CAMs  
D. Architects or engineers bidding to perform a milestone inspection

*Ref: Condominium and Cooperative Associations and CAM/CAM Firms: F.S. 553*

5. Complete this statement: All meetings conducted by video conference must be recorded and:

A. such recording must be maintained as an official record of the association.  
B. the recording must be deleted within 10 business days after the meeting.  
C. such recording must be transcribed into written form within 30 days, and the recording is then deleted.  
D. such recording must be maintained by the office of the County Clerk.

*Ref: Condominium and Cooperative Associations and CAM/CAM Firms: F.S. 718.112*

6. For a condominium association required to have a website, the video recording (or hyperlink to the recording) of a meeting held via video conference must be posted on the condominium's website and held over for how long?

A. The preceding 36 months  
B. The preceding 24 months  
C. The preceding 12 months  
D. Until the next board is elected

*Ref: Condominium and Cooperative Associations and CAM/CAM Firms: F.S. 718.111*

7. A current copy of certain documents must be posted in digital format on the association's website or mobile device application including approved minutes of all board meetings for how long?

A. For the life of the association  
B. Over the preceding 12 months  
C. Over the preceding 36 months  
D. Until the next board meeting minutes are posted

*Ref: Condominium and Cooperative Associations and CAM/CAM Firms: F.S. 718.111(12)(g)*

8. Condominium law changed the procedure related to any fiscal year regarding an annual budget exceeding 115 percent of the preceding fiscal year. What is required?

A. At least 10 percent of all voting interests may petition for a substitute budget.  
B. A petition of at least 20 percent of the voting interests is required to hold a meeting at which the board provides a substitute budget.  
C. The board shall propose a substitute budget immediately following the budget meeting.  
D. The board shall simultaneously propose a substitute budget at the budget meeting before the adoption of the budget.

*Ref: Condominium and Cooperative Associations and CAM/CAM Firms: F.S. 718.112*

9. Amendments were made to F.S. 767. They included that this Act may be cited as the Pam Rock Act. What does this refer to?
- A. Dangerous dogs
  - B. Protected species
  - C. Dog handler and trainer licensure
  - D. Flying objects
- Ref: Dangerous Dogs: F.S. 767*
10. F.S. 718.503 and 719.503 added which of the following to developer disclosures before sale?
- A. HO-6 required coverages
  - B. Flood disclosure
  - C. Alligator disclosure
  - D. Credit score of every unit occupant
- Ref: Real Property-Condominium Flood Disclosures*

## RECORDS MANAGEMENT - HOA EXAM

**This course begins on page 77. Please record your exam answers on the Answer Sheet.**

1. Statute was amended to require that by January 1, 2025, an association with 100 or more parcels must do which of the following with specific records and documents, including the current rules of the association?
- A. Post such documents on its website or make them available through a mobile application.
  - B. Post the documents on Facebook
  - C. Mail the documents to all new members
  - D. Mail the documents by certified return receipt requested, to every member of the association
- Ref: Websites and Mobile Applications*
2. Bids received by the association for work to be performed are considered official records. How long must they be kept?
- A. Filed at the Clerk of Courts office
  - B. For a period of one year
  - C. For a period of not less than seven years
  - D. In a vault at the board secretary's home
- Ref: Official Records and Their Maintenance*
3. What is one of the requirements of a newly elected or appointed director as it relates to satisfactory completion of educational curriculum administered by a DBPR approved education provider?
- A. Each newly elected or appointed board member must submit the certificate within 30 days of being elected or appointed.
  - B. The board must maintain such a certificate for the life of the association.
  - C. Each newly elected or appointed board member must complete the department-approved education within 90 days of being elected or appointed.
  - D. The certification is not considered an official record of the association.
- Ref: Websites and Mobile Applications*
4. Some records of the association are not accessible to members or parcel owners for inspection and copying. Which of the following is NOT accessible?
- A. Information a gated-community association obtains in connection with guests who visit community residents or parcel owners
  - B. The approved and proposed annual budget
  - C. Any insurance policy
  - D. A list of current executory contracts or documents
- Ref: Inspection and Copying Records*
5. A meeting between the board and its attorney regarding proposed or pending litigation can be considered a closed meeting, however, what must happen?
- A. The meeting must have a quorum of the membership in attendance.
  - B. HOAs are never permitted to have closed meetings.
  - C. A meeting notice must be posted.
  - D. Hold the meeting at a location within 50 miles of the association property.
- Ref: General Discussion - Importance of Record Keeping*
6. If an HOA board meeting notice is not posted in a conspicuous place in the community, what must be done with the notice?
- A. It is illegal not to post in the community.
  - B. It must be mailed or delivered to each member at least 14 days before the meeting.
  - C. It must be limited to discussing good and welfare questions of the members.
  - D. It must be mailed or delivered to each member at least seven days before the meeting, except in an emergency.
- Ref: General Discussion - Importance of Record Keeping*
7. How must an HOA maintain the minutes of all board and member meetings?
- A. From the inception of the homeowners' association
  - B. In written form or in another form that can be converted into written form within a reasonable time
  - C. From inspection of the first board of directors for five years after the next election
  - D. In an audio tape recorded format only
- Ref: General Discussion - Importance of Record Keeping*
8. Financial and accounting records must include at least which of the following?
- A. Receipts for food that the president purchased for their son's birthday party
  - B. The secretary's tax returns
  - C. The CAM's lunch receipt
  - D. Any records that identify, measure, record, or communicate financial information of the association
- Ref: Office Records and Their Maintenance*

9. Among other things, a disclosure summary as described in F.S. 720.401(1) advises a purchaser of all of the following, EXCEPT:
- A. They will be obligated to be members of the homeowners' association.
  - B. There have been or will be recorded restrictive covenants governing the use and occupancy of properties in this community.
  - C. They may waive payment of current and future assessments if they sign an opt-out agreement.
  - D. The failure to pay special assessments or assessments levied by the homeowners' association could result in a lien on their property.
10. According to the amended statute for homeowners' associations, what is the minimum number of parcels an association must have to be required to post certain documents on its website or make them available through a mobile application by January 1, 2025?
- A. 25 or more
  - B. 150 or more
  - C. 2,500 or more
  - D. 100 or more

*Ref: Official Records and Their Maintenance*

*Ref: Websites and Mobile Applications*

## A MINDFUL CAM EXAM

**This course begins on page 89. Please record your exam answers on the Answer Sheet.**

1. What are the two types of committees?
- A. Standing and sitting
  - B. Standing and special
  - C. Election and regular
  - D. Ad Hoc and election
- Ref: Members' Meetings and Elections*
2. For an HOA, a committee or body that has the authority to make a final decision regarding the expenditure of association funds must adhere to all the provisions of a board meeting. They may do all of the following, EXCEPT:
- A. hold the meeting at a location that is accessible to a physically disabled person if requested by a physically disabled person who has a right to attend the meeting.
  - B. allow attending members to participate and speak to designated items.
  - C. keep a record of the meeting.
  - D. prohibit a member from audio or video taping the meeting.
- Ref: Members' Meetings and Elections*
3. A homeowner in an HOA may display in a respectful manner from a flagpole one official United States flag, not larger than 4 1/2 feet by 6 feet, and one additional flag as permitted by F.S. 720.304. The other flag must be what size?
- A. 2 1/2 feet by 3 feet
  - B. Larger than the United States flag
  - C. Equal in size to or smaller than the United States flag
  - D. Smaller than the United States flag
- Ref: Members' Rights*
4. Which of the following describes a SLAPP suit?
- A. It's when two homeowners get into a fight.
  - B. It's when the board revises the budget.
  - C. It's an action that must be taken to recall the board.
  - D. It's when members are sued by individuals, business entities, or governmental entities arising out of a parcel owner's appearance and presentation before a governmental entity on matters related to the homeowners' association
- Ref: Members' Rights*
5. A parcel owner in a homeowners' association wishes to construct a ramp for their household or occupant. The HOA may not prohibit the ramp conditioned on which of the following?
- A. The ramp must be as unobtrusive as possible.
  - B. The plans for the ramp must be submitted to the homeowners' association no more than 180 days after its completion.
  - C. Parcel owners are strictly prohibited from constructing/installing a ramp in a homeowners' association.
  - D. Submit to the association an affidavit that verifies that the parcel owner is not constructing the ramp for skateboarding.
- Ref: Members' Rights*
6. What is the role of the fines (hearing) committee?
- A. To levy fines
  - B. To set up payment plans for owners who have fines
  - C. Limited to determining whether to confirm or reject the fine or suspension levied by the board
  - D. To make citizen's arrests of parcel owners who violate the rules and regulations
- Ref: Members' Rights*

A Mindful CAM Exam (cont'd.)

7. Regardless of any provision to the contrary in an association's governing documents, an association may not levy a fine for leaving garbage receptacles:
- A. an HOA can never levy a fine for garbage receptacles.
  - B. in the homeowner's garage on collection day
  - C. at the curb or end of the driveway within 24 hours before designated collection day or time but can levy a fine if the garbage receptacles are not put away immediately after the designated garbage collection day or time.
  - D. at the curb or end of the driveway within 24 hours before or after the designated garbage collection day or time.

*Ref: Member's Rights*

8. An officer or director could be removed from office if which crime occurs?
- A. Forgery of a ballot envelope or voting certificate used in a HOA's election
  - B. Playing cards with one other board member at the clubhouse on Tuesdays
  - C. Abstaining from a vote that does not involve a financial conflict of interest
  - D. Refusing to allow inspection or copying of a homeowner's medical records

*Ref: Officers and Directors*

9. An officer or director could be removed from office if all of the following occurs, EXCEPT:
- A. forgery of a ballot envelope or voting certificate used in a homeowners' association election.
  - B. theft or embezzlement involving the association's funds or property.
  - C. tampering with physical evidence, like destroying or refusing to allow inspection of copying of the homeowners' association official records, that should be accessible to parcel owners.
  - D. arriving 30 minutes late to three regularly scheduled board meetings in a row.

*Ref: Officers and Directors*

10. Some of the skills that the CAM and management team exercise on a regular basis include:
- A. communication, organization, planning, record keeping, documenting, and observing.
  - B. making coffee.
  - C. party planning.
  - D. firearm safety.

*Ref: Officers and Directors*

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# WHAT'S INSIDE

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Use the Answer Sheet to record your answers for each individual exam and follow the instructions for grading and payment.

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## Acknowledgements

Gold Coast management thanks our current and former students who have helped us become the largest real estate school in Florida. Some of you may have obtained your licensing education from us back in 1970, while others are coming to us for the first time. You are the reason we are in business. If there is anything that we can do to assist you, please ask. Our toll-free number is 1-800-732-9140.

We also wish to thank our loyal and dedicated staff. Our customer service representatives assist thousands of students each week, and during renewal time may answer the same question dozens of times per day. Their mission is to help you, our student, solve issues and achieve your goals. Our instructional and course development teams work hard every day to ensure that students receive the best education and most up-to-date information possible.

Gold Coast's unique blend of instructors in real estate, appraisal, community association management, property management, construction, insurance, and home inspection all contribute to a well-rounded view and a deep understanding of the many facets of this complicated business.

Special thanks to the team of authors, editors, developers, and designers who assembled this book for our students.

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# FREQUENTLY ASKED QUESTIONS

## Florida CAM License Renewal Requirements

### How many hours of CE do I need to renew my CAM license?

A CAM, who does not manage an HOA, needs a total of **15 hours** of CE to renew their license. For the September 30, 2026, renewal deadline, courses in the areas listed below must be completed.

- 3 hours of additional instruction (ELE) from HR, IFM, or OPP
- 3 hours of Human Resources (HR)
- 3 hours of Insurance and Financial Management (IFM)
- 3 hours of Legal Update Seminar (LU)
- 3 hours of Operation of Physical Property (OPP)

**HOA Managers:** A CAM who provides management services to an HOA needs **17 hours** total CE that includes 12 hours of core categories and a minimum of five hours of HOA-specific topics, as follows:

- 3 hours of HOA Recordkeeping (EH1-HOA)
- 2 hours of HOA Specific (EH2-HOA)

This book contains five, three-hour courses, plus a two-hour HOA-specific course, giving the option of completing 15 or 17 hours of CE depending on your requirements. The DBPR has approved some courses to fulfill more than one area of CE (e.g., HR and ELE). However, you may only use each course for one category.

On the Answer Sheet, you have the option to choose a single course or a package of several courses. Complete all the courses for an HOA-CAM or only those you need in order to renew your CAM license.

### This is my first renewal cycle. What do I need to do?

If you were initially licensed within the current renewal period, (October 1, 2024 - September 30, 2026), you are exempt from compliance with the CE requirements until the end of the next renewal cycle.

### Do I qualify for the long-tenured license exemption?

If you've held an active CAM license continuously for at least 10 years and have had no disciplinary action against it, you may qualify for this CE exemption. However, the renewal process still applies to you. Please refer to the DBPR for your exemption status. We recommend that all CAMs take CE to stay current, grow professionally, and manage with confidence.

### Are the CE exams open book?

Yes, the exam for each course is open book. All of the answers can be found in the course. Each exam consists of 10 multiple-choice questions. The passing score is 70%.

### How do I get my CE exams graded?

To have your exams graded, submit your answers online for immediate grading and results. For instructions and additional grading options, see the Answer Sheet.

## Important Support Contact Information

### Customer Service Assistance

Help with online grading, class/livestream options, and licensing:

- Phone: 800-732-9140 (M-F 9am-5pm, Sat 9am-12pm)
- Email: [info@goldcoastschools.com](mailto:info@goldcoastschools.com)

### Technical Support

Help with running the online course:

- Phone: 954-315-7698 (M-F 9am-5pm)
- Online: Click "Get Help" on "Your Classes" page

Category	Code/Hours	Description
Additional Instruction	ELE 3 Hrs	Any area described below or in any course that is directly related to the management or administration of community associations and approved by the DBPR. Qualifies for EH1-HOA.
Human Resources	HR 3 Hrs	Human resources topics relating to community association management, including, but not limited to, disaster preparedness, employee relations, and communication skills for effectively dealing with residents and vendors
Insurance and Financial Management	IFM 3 Hrs	Insurance and financial management relating to community association management
Legal Update Seminar	LU 3 Hrs	Instruction regarding changes to F.S. 455, 468 Part VIII, 617, 718, 719, 720, and 721, and other applicable legislation, case law, and regulations that affect community association management
Operation of Physical Property	OPP 3 Hrs	Operation of a community association's physical property
HOA Recordkeeping	EH1-HOA 3 Hrs	<ul style="list-style-type: none"> <li>• HOA Record Access, Retention Policies, and Document Formats</li> <li>• HOA Official Records and Financial Reporting</li> <li>• HOA Board Elections, Ballots, and Recall Procedures</li> <li>• HOA Fines, Suspensions, and Due Process</li> <li>• HOA Websites and Records Portal Requirements</li> </ul>
HOA Specific	EH2-HOA 2 Hrs	

### What if I prefer to attend a class or livestream?

Gold Coast offers courses in both classroom and livestream formats at all locations. Complete information and course schedules can be found on our website. Bring this book with you to class.

### Is there an advantage to the classroom or livestream?

Yes! Many students enjoy the classroom/livestream because there is no final exam, there is a live instructor, and it offers a great networking opportunity.

Goldcoastschools.com  
(Scan the QR code with your mobile device to open our website.)



### CAM Instructor Support

Help with CAM-related issues:

- Phone: 561-968-4323 (M-F 9am-5pm)
- Email: [imatijak@goldcoastschools.com](mailto:imatijak@goldcoastschools.com)

### Regulatory Council of Community Association Managers

- Phone: 850-487-1395 (M-F 8am-5pm)
- Mail: 2601 Blair Stone Road, Tallahassee, FL 32399-0783
- Website: [myfloridalicense.com](http://myfloridalicense.com)

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# Landscape Maintenance Responsibilities in Community Associations

## 3 Hours of CE Credits (OPP or ELE)

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Approval: Correspondence #9633807  
Distance/Online #9633809

Expiration: 10/15/2027  
Expiration: 10/15/2027

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### Course Overview

To a significant extent, landscape plans, designs, and maintenance are centered around procedures and principles based on F.S. 373.185, "Local Florida-Friendly Landscaping Ordinances." Florida-friendly landscaping is defined as quality landscapes that conserve water, protect the environment, are adaptable to local conditions, and are drought tolerant. It provides regulations and guiding

principles for counties and municipalities in Florida. This course will explore procedures as well as elements of landscaping.

This course uses a fictional character to help narrate. Any resemblance to actual people or events is purely coincidental.

\* Terms in bold are found in the glossary at the end of the chapter.

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### Learning Objectives

- Recognize provisions of statutes related to Florida-Friendly Landscaping Ordinances.
  - Identify types of turf and the Florida regions where each is best suited.
  - Understand the importance of soil tests.
  - Identify types of invasive species of plants and weeds.
  - Recognize the importance of efficient watering and water management.
  - Understanding interactions of irrigation and fertilizing.
  - Identify provisions of the **landscape** contract.
  - Understand the role of a CAM.
- 

## INTRODUCTION

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Grounds maintenance is one of the most important responsibilities of a community association. The common property elements of any community association are subject to wear and tear, disrepair and deterioration that serve to depreciate the value of the property over time. Sidewalks, roads, storm drains, and lighting all fall into grounds maintenance. However, well maintained turf, trees, and **shrubs** serve to appreciate value.

A knowledgeable and effective grounds/landscape committee along with the community association's CAM and a qualified landscape maintenance service provider can carefully develop and execute a grounds maintenance program that directly contributes to the health of the

community and the protection of property values.

We'll explore some of the provisions of Local Florida-Friendly Landscaping Ordinances and learn a little about plants, turf, mulch, and pests.

This course is divided into four parts:

**PART 1:** General discussion related to Florida-friendly landscaping, turf, and plant consideration.

**PART 2:** Invasive and exotic plants.

**PART 3:** Plant care, water and irrigation, mulch, fertilization, and pet management.

**PART 4:** Landscape contracts, CAM's and other roles and responsibilities, and governing documents.

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## PART 1: GENERAL DISCUSSION - FLORIDA-FRIENDLY LANDSCAPING

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### Florida-Friendly Landscaping

There are nine principles of Florida-friendly landscaping:

- Right plant, right place
- Efficient watering
- Fertilize appropriately
- Mulching
- Attract wildlife
- Responsible pest management
- Recycling plant waste
- Reduce stormwater runoff
- Waterfront

Additional components include practices, such as

landscape planning and design, **soil** analysis, appropriate use of solid waste **compost**, minimizing the use of irrigation, and proper maintenance.

### F.S. 373.185 Requirements

Each water management district shall design and implement an incentive program to encourage all local governments within its district to adopt new ordinances or amend existing ordinances to require Florida-friendly landscaping for development permitted after the effective date of the new ordinance or amendment. Each district shall assist the local governments within its jurisdiction by

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providing a model Florida-friendly landscaping ordinance and other technical assistance. Each district may develop its own model or use a model contained in the “Florida-Friendly Landscape Guidance Models for Ordinances, Covenants, and Restrictions” manual developed by the department. To qualify for a district’s incentive program, a local government ordinance or amendment must include, at a minimum: “A deed restriction or covenant may not prohibit or be enforced so as to prohibit any property owner from implementing Florida-friendly landscaping on his or her land.”

The Legislature finds that the use of Florida-friendly landscaping and other water use and pollution prevention measures to conserve or protect the state’s water resources serves a compelling public interest and that the participation of homeowners’ associations and local governments is essential to the state’s efforts in water conservation and water quality protection and restoration.

- A deed restriction or covenant may not prohibit or be enforced so as to prohibit any property owner from implementing Florida-friendly landscaping on his or her land or create any requirement or limitation in conflict with any provision of part II of this chapter or a water shortage order, other order, consumptive use permit, or rule adopted or issued pursuant to part II of this chapter.
- A local government ordinance may not prohibit or be enforced to prohibit any property owner from implementing Florida-friendly landscaping on their land.
- This section does not limit the authority of the department or the water management districts to require Florida-friendly landscaping ordinances or practices as a condition of any permit issued under this chapter.

The initial materials may be selected by the community’s developer team, but after the developer has turned control over to the community association, routine maintenance and necessary changes will be the concern of a board of directors, perhaps a landscape committee, the CAM, and the landscape professionals that they select. By placing the right plants, trees, and shrubs in the right locations, a community can potentially reduce its overall maintenance costs. This includes using the right types of turf (grass, lawn).



*Hi, I’m Tim, a good-natured person, and a CAM in an HOA with 500 single-family homes that transitioned from the developer two years ago. The association is responsible for the landscape maintenance on all portions of the property. That means that the association takes care of landscape maintenance on all the common property as well as each of the association members’ property. As said above, the initial landscape plans and materials were selected*

*and installed by the developer. But now that’s the job of the association, through its board of directors, their landscape committee and I usually have some input or at least some responsibility to know what’s going on. Boy, have I learned a lot!*


## Turf Considerations

Factors to be considered in the turf grass that will be used include grasses that are drought, shade, salt, and wear (vehicular and foot traffic) tolerant, fertilization requirements, leaf texture (width and coarseness of the grass blades), pest and disease problems, and climatic conditions.

Common turf grass used for Florida lawns include:

- **Bahiagrass:** A low maintenance lawn grass; excellent drought tolerance but poor salt, shade, and wear tolerance. Bahiagrass is resistant to most insects and disease; and often found in Central Florida because of its low maintenance. It is ideal for open acreages and large yards; can thrive in all Florida regions; but is not recommended for coastal areas.
- **Bermudagrass:** Found worldwide, it is also known as couch grass in Australia and New Zealand. Bermudagrass is fast-growing and tough; recovers rapidly from damage; and can tolerate poor soil conditions. It is highly desirable in warm temperate climates, making it ideal for Florida’s hot, humid climate often in drought conditions. However, it is also highly aggressive, crowding out most other grasses and invading other habitats, and has become a hard-to-eradicate weed in some areas.
- **Centipede grass:** A well-adapted grass for Northern Florida and the Panhandle. “Hammock” centipede grass, was patented by the University of Florida that is adapted to South Florida conditions. It grows about four inches per year, on average, making it one of the slowest growing grasses. It does not tolerate foot traffic as well as other grass but ranks high on shade tolerance.
- **St. Augustine grass:** The most popular lawn grass in Florida and is adaptable to a wide range of soils and has good salt, shade, and nematode tolerance and is adaptable to all Florida climates. However, St. Augustine grasses are particularly prone to chinch bugs, and it does not do well in heavily trafficked areas putting it into a higher level of maintenance and cost than Bahiagrass or Centipede grass. Other varieties of St. Augustine grass are Floratam, Citrablue and Palmetto.
- **Zoysia grass:** Famous for being “barefoot grass” because of how soft it is to walk on. It introduced to the United States in the early 1900s. Zoysia can tolerate heat and humidity, but it requires frequent watering during dry periods. Characteristics include

its dark green color, and shorter and finer texture. It is adapted to a wide variety of soils. It has good tolerance to salt, and shade, good to excellent tolerance to wear, and medium tolerance to drought. It can thrive in all Florida climate zones. Its level of maintenance requirements is like St. Augustine grass, but Zoysia is also subject to hunting billbugs and brown patch disease. These factors along with the finer blade texture typically put Zoysia at a higher maintenance cost level.

 *The landscaper told us that our turf is being negatively affected by a common disease in the area called Lethal Viral Necrosis. They said it is killing the community's grass and that ultimately, we may have to change the type of turf we use.*

**Healthy plants also depend on their levels of nutrients and pH.** Plants do best when planted in soil that provides essential nutrients. Macronutrients, which are the nutrients needed in large amounts by plants, include nitrogen, phosphorus, potassium, calcium, magnesium, and sulfur.

The pH of soil can be tested by using:

- **A pH testing kit:** Usually inexpensive, where a small sample of soil is mixed with an indicator solution that changes color according to the acidity/alkalinity.
- **Litmus paper:** A small sample of soil is mixed with distilled water, into which a strip of litmus paper is inserted. If the soil is acidic the paper turns red, if alkaline, blue.
- **Electronic pH meter:** A commercially available method in which a rod is inserted into moistened soil and measures the concentration of hydrogen ions.

County extension offices can test a community's soil for a small fee or provide a kit to send a soil sample to the University of Florida/IFAS Extension Soil Testing Laboratory. Plant reference guides often provide


information on the optimal pH for a specific plant or plants. A soil's pH can be increased, typically by the addition of **lime**, or decreased by adding an acidifying **fertilizer** containing ammonia.

County extensions provide access, through county agents, to the resources of land-grant universities (such as the Florida state universities) across the nation. These universities are centers for research in many subjects, including entomology (the study of insects) and agriculture.

### Plant Hardiness Zone Map

In 2023, the USDA released an updated Plant Hardiness Zone Map to help gardeners and landscapers determine which plants will most likely thrive in specific locations. Florida is divided into four main planting zones:

- **Panhandle:** (Zones 8B and 9A) Regions that are ideal for various perennials, shrubs and trees that can tolerate occasional frost.
- **North Florida:** (Zones 9A and 9B) Regions known for the year-round planting potential. Plants, citrus trees, and flowering plants that enjoy mild winters.
- **East Coast, Central, and Southwest Florida:** (Zones 9B to 10B) Supportive of tropical plants, including tropical fruits and various exotic flowers.
- **Southeast and South Florida:** (Zones 11A and 10) The warmest zone in Florida, this region is perfect for sensitive tropical plants including rare palms, orchids, and other tropical species that cannot tolerate frost.

 *These are all important factors to consider for a developer who is establishing a community; for the professionals and experts who will be part of the landscape plan and irrigation system; for the association and its board of directors who will ultimately contract for these services; and for the CAM who will monitor, observe, and report landscape matters. There are other things to watch for.*

## PART 2: INVASIVE AND EXOTIC PLANTS

Invasive exotic plants are plants that are not native to a specific location and are a detriment to native species and the **ecosystem**. They can aggressively out-compete native plants and result in the loss of habitat. Invasive plants in South Florida include but are not limited to the following:

- **Brazilian pepper:** One of Florida's most aggressive invasive exotic pest plants. Its dense canopy shades out most other plants and provides poor habitat for **wildlife**.
- **Australian pine:** Introduced to Florida around 1887, when they were brought in and planted to form windbreaks around canals, agricultural fields, roads, and houses. Its resistance to salt spray is one of the

reasons it became a widespread aggressive growth. It can grow close to sea water and invade beaches, hammocks, and tree island communities within the Everglades. It has invaded thousands of acres of coastal areas in Florida. It provides little to no native wildlife habitat and can displace native species. Their shallow root system gives them a risk of falling easily during storms.

- **Melaleuca:** Commonly known as paperbarks, honey myrtles, bottlebrushes, or tea-trees. The Melaleuca is an invasive tree choking the Everglades and other areas of South Florida. These trees were brought to the United States in the late 1800s. They displace

native plant communities and wildlife, including some endangered species; they disturb water flow; and alter soil conditions.

- **Ardisia Crenata:** A flowering plant in the primrose family. Other names it is known by include Christmas berry, Australian holly, coral bush, hen's eyes. The plant is an evergreen, multi-stemmed sub-shrub. Leaves have a distinctive scalloped edge and vary from dark green to waxy.
- **Old World Climbing Fern:** Its technical name, *Lygodium micropylum*, was introduced in the 1950s and was imported to be used as outdoor ornamental plants. Starting as a decoration, it made its way easily into the wild through infestation of residential landscapes, nurseries, rangelands, and other managed lands. It's found often in SW Florida, especially in public conservation areas. Not only does it harm our plant communities by growing up and over trees and other plants, but they also serve as a fire ladder spreading and carrying fire into tree canopies and killing native trees that would not usually burn.
- **Camphor Tree:** It has quickly become a problem in Florida due to its ability to thrive in many ecosystems. It has pointy leaves and shiny berry-like fruit, which are toxic to people and pets. These plants are usually found in Northern and Central Florida where they've become a nuisance. They thrive in salty marshes and

sandy soil and have been edging out native pines, cypress, and hammocks.

- **Air Potato:** A species of the yam family. The air potato was introduced to Florida in the 1900s as an ornamental plant, however, its fast growth and ability to reproduce rapidly (can grow as much as eight inches per day) have caused it to become a serious threat to our natural ecosystems. They are vines with heart-shaped leaves.
- **Chinese Tallow:** Also known as Florida aspen, chicken tree, gray popcorn tree, or candleberry tree. Its seeds are a source of stillingia oil (a drying oil used in paints and varnishes). This plant is an invasive exotic plant that spreads rapidly and has taken over large areas of the southeast United States.
- **Water Hyacinth:** An aquatic plant, this problematic species, was introduced to Florida in the late 1800s as an ornamental plant and covered more than 120,000 acres of public lakes and rivers by the early 1960s. Water hyacinth can double in population size in about two weeks. The fast growth leads to dense mat formation that clogs waterways and limits flood control and wildlife use. It also limits boat traffic and recreational activities and can be economically damaging to operations that count on the water for transportation and business as a way of life.

## PART 3: PLANT CARE, WATER AND IRRIGATION, MULCH, FERTILIZATION, AND PEST MANAGEMENT

### Efficient Watering

Overwatering is, unfortunately, a common practice that unnecessarily depletes a scarce resource, makes plants more vulnerable to disease and pests, and increases the cost of maintenance, including the need for more frequent lawn-mowing resulting from faster growth. Excessive nitrogen and phosphorus levels from fertilizer can lead to excessive plant and **algae** growth in waterways that can degrade drinking water, fisheries, and recreational areas.

### The Water Management Districts

Florida is divided into five water management districts (WMDs) created by the Water Resources Act of 1972. (*See a list of WMDs at the end of the course.*)

These are state agencies that are responsible for the management and protection of Florida's water resources. The South Florida Water Management District Year-Round Landscape Irrigation Rule (F.A.C. 40E-24) are designed to ensure the efficient use of water landscape irrigation. In all cases, reclaimed water used for irrigation is subject to voluntary watering limits, unless otherwise restricted by a local government or utility. Local governments may adopt alternative landscape irrigation

ordinances based on local water demands, system limitations, or resource availability. The year-round water restrictions allow enough water to maintain healthy landscapes. The restrictions specify the time and the days of the week when watering is permitted for residential and nonresidential.

A healthy landscape only needs 1-inch to 1.5 inches of water per week during summer growing season and only as needed to supplement rainfall. During the winter season, when a lawn goes dormant, it requires even less.

Some local governments have adopted two-day per week restrictions and others three-day per week restrictions.

Keep in mind that the irrigation rule limits the *frequency of irrigation*. The actual amount of water that plants require may be less than the watering limit defined by the rule. If plants appear healthy, less water is required. Plants should be inspected for symptoms of **water stress**, including wilting, darkening color, and footprints remaining after walking on the lawn.

Landscapes should not be watered if it has rained within the past twenty-four hours or if rain is predicted within twenty-four hours.

The four core mission areas of the Water Management Districts are:


- Water supply
- Water quality
- Flood protection and floodplain management.
- Natural systems.

## Irrigation Systems

F.A.C. 40C-2.042(5) requires that all automatic irrigation systems installed after May 1, 1991, include rain-sensing devices or soil-moisture sensors. A rain sensor is a water conservation device connected to an automatic irrigation system that causes the system to shut down in the event of rainfall. They conserve water, reduce wear on the irrigation system, and can prevent plant disease and other problems caused by overwatering. Rain sensors require regular monitoring to determine if they are operating properly, need cleaning, repositioning, or replacement.

Soil moisture sensors operate similarly to rain sensors. They shut off the irrigation system when they detect that the soil contains a sufficient level of moisture. Agricultural uses are exempt for the use of rain-sensing devices or soil-moisture sensors, as long as they follow the agricultural water conservation requirements of the state.

It is important that the association's irrigation system is functioning efficiently. The system should be inspected on a regular basis to ensure that leaks are repaired, broken heads are unclogged and replaced, heads are directing water at plants rather than driveways and sidewalks, and plants are not interfering with the system. Irrigation systems should be calibrated to apply between 1/2 and 3/4 inch of water to the lawn. When possible, a drip or micro-irrigation system should be used to apply water directly to the plant roots, thereby reducing water loss resulting from evaporation or wind.



*I was having a quiet moment to catch up on some reports, when one of the landscape committee members came into the office and asked me, "Hey Tim, I looked on the DBPR site and did you know that the company that takes care of our irrigation doesn't have an irrigation license?" There goes my quiet moment. However, I did explain —*

## Irrigation Professional Licensing Requirements

Though many counties in Florida require irrigation contractors to be licensed, it is *not a statewide requirement*, and the regulation is not uniform between counties.

However, the Department of Professional Regulation (DBPR) regulates the following licensing boards that are related to irrigation contracting:

- **The Construction Industry Licensing Board (CILB)** is responsible for the licensure and regulation under part I of Chapter 489, F.S., of construction contractors, including plumbing contractors.
- **The Electrical Contractors' Licensing Board (ECLB)**, is responsible for licensure and regulation of electrical contractors under Part II of Chapter 489, F.S.
- **The Board of Landscape Architecture** is responsible for the licensure and regulation of **landscape architects** under Part II of Chapter 481, F.S.

Other factors that affect water efficiency include that lawn mowers should be calibrated to cut no more than one-third of the grass blade. This results in the retention of deeper roots and less need for water.

Lawn pests should be spot treated, and the use of chemicals minimized to avoid damage to the grass, which results in increased need for water.


## Fertilize Appropriately

Fertilizer is a chemical or natural substance added to soil or land to promote plant growth and enhance plant appearance. Plants obtain nutrients from the soil. However, plants sometimes require supplemental nutrients in the form of fertilizer. Fertilizers are either organic or inorganic.

- **Organic fertilizers** are derived from plants and animals and include ingredients, such as manure and compost.
- **Inorganic fertilizers** are mined from mineral deposits or manufactured from synthetic materials.

Excess use of fertilizer is not only harmful to the environment but can be destructive to plants, by making them more susceptible to disease and pests. It can also result in increased costs from additional pruning and mowing. A comprehensive approach to fertilizing that uses appropriate types of fertilizer in the right amount, at the right time can reduce a community's nutrient inputs into local waterbodies.

All commercial fertilizer applicators must have the Limited Urban Commercial Fertilizer Applicator Certificate from the Florida Department of Agriculture and Consumer Services (FDACS).



*As a CAM, I learned that part of proper care and maintenance of a community association's landscaping is to check for nutritional deficiencies. The association's landscape service provider often brings such deficiencies to the landscape committee's and my attention.*

- A visual inspection can often determine if plants need supplemental nutrients.
- A specific distributional pattern of yellowing on a leaf often indicates a nutritional deficiency.
- A lack of iron results in an initial yellowing between the veins in new leaves which then spread to the older leaves.
- Nitrogen deficiency is frequently indicated by a uniform light green or yellow color on the oldest leaves, and if untreated, the entire plant becomes light green. Iron deficiency in turf grass shows up as yellowing at the tip of the blade.
- Nitrogen deficiency in turf grass appears as yellowing along the entire blade.
- Many nutritional deficiencies appear similar.
- Choose slow-release products that include potassium and little or no phosphorus. To be labeled slow or controlled release a product must contain a minimum of 15% slow or controlled release nitrogen. Optimally, the product should have between 30% and 50% of slow or controlled release nitrogen.
- Keep fertilizer off hard surfaces like sidewalks and driveways. Sweep up and dispose of spilled fertilizer to avoid its being swept into storm drains.
- Collect spilled fertilizer from lawns to avoid excess nutrients leaching through the soil and into groundwater.
- Do not fertilize within ten feet of any body of water. Designate a ten-foot maintenance-free zone between the landscape and the normal high-water mark.
- Do not fertilize before an anticipated heavy rain to avoid leaching or runoff of fertilizer into the ground and/or surface water.
- If **recycled** or **reclaimed water** is used be aware that it can contain nitrogen and adjust the amount of fertilizer accordingly.

County extension offices can provide assistance to determine the type of *nutritional deficiency* a community association's plants are suffering from and recommend the type and application of nutrients required to restore them to health.

### Related to Fertilization is a Concern of Water Pollution



*I have had several discussions with concerned association members worried that the landscape service provider is contaminating their lakes when they fertilize. In fact, I've had some serious conversations with the board of directors before they've made final decisions on the contract that they will accept. I've tried to point out that it is in the association's best interest to confirm who is performing the fertilization services and to be assured that they are aware of and comply with federal, local and state regulations and guidelines when applying fertilizer in a manner that is healthy for the plants, trees, shrubs and waterways in the community.*

In applying fertilizer, it is essential to prevent water pollution from leaching or runoff. **Leaching** is an environmental concern when it contributes to groundwater contamination. As water from rain, flooding, and other sources seeps into the ground, it can dissolve chemicals from fertilizer, as well as other sources such as **pesticides** and carry them into the underground water supply. Runoff is excess water that is not absorbed into the soil and ends up in our streams, rivers, lakes, and eventually the ocean.

### Preventing Water Pollution

The following guidelines can help to prevent water pollution from the use of fertilizer:

- Follow the University of Florida Institute of Food and Agricultural Sciences (UF/IFAS) recommendations for specific plants, with respect to rates (quantity), applications timings, and formulas.

### For Lawns:

- Apply fertilizer only when grass is actively growing. Many Florida turf grasses become dormant or slow their growth in cooler seasons and periods of less daylight.
- Use a **broadcast spreader** with a deflector shield. The deflector shield prevents the fertilizer from reaching the ten-foot maintenance zone. **Drop spreaders** can damage the coatings on slow-release fertilizers rendering them fast-release.
- Avoid using “weed and feed” products that combine **herbicides** and fertilizer. These products can injure some trees and shrubs. Pesticides should not be broadcast but applied only to affected areas.
- Use chelated iron or iron sulfate on yellow turf grass in summer.
- Water-in fertilizer to ensure that it reaches the grass roots located under the soil surface. Approximately 1/4 inch of irrigated water is required.

Slow and controlled release fertilizers provide nutrients to plant roots over an extended period.

### Fertilizer Labels

Florida law requires that the manufacturer affix a label to each package, bag, container, or lot of fertilizer offered for sale in the state. The law requires that each label shows specific information about the analysis and composition of the mixture or material. Packaged fertilizer has three numbers printed on the bag that state the percentage (by weight) of the three main plant nutrients, nitrogen (N), phosphorous (P), and potassium (K).

**Example:** The fertilizer bag is labeled with “17-3-6.” The first number refers to nitrogen; the second refers to phosphorous; and the third refers to potassium.

## Mulch

“To mulch or not to mulch?” that is the question.



*So, the homeowner association's president came into my office this bright cheery morning and instructed me to explain what kind of mulch should be put around the common area plants and trees; to look at the landscape contract to see if putting mulch down is an extra charge; and to have the landscape company give the board an estimate for the cost of putting in mulch in those areas. That isn't the CAM's job ... is it? What do you think? I guess it is, at least part of it. What do I need to know about mulch? Where do I start?*

Mulch is a material (like decaying leaves, bark, or compost) spread around a plant or tree. It retains water in the soil, helps control weeds, reduces storm water runoff and soil erosion, prevents certain diseases, and reduces the risk of damage from lawn maintenance equipment and can also provide nutrients to the soil. It should be applied in 2 to 3-inch-deep layers to help retain soil moisture, protect plants, and inhibit weed growth. It gives the landscape a neat, uniform appearance and a great Florida-friendly choice for hard-to-mow areas and shady spots. Mulch should be pulled back 1-2 inches from the base of plants. No more than a thin layer of 1 inch or less should be applied over the root-ball of trees for aesthetic purposes, if necessary.

### Types of Mulch

There are many types of mulches, each of which differs in cost, color, origin, durability, nutrient content, texture, and appearance.

- **Cypress, melaleuca, and pine bark:** Lasts longest but offers little nutrient value.
- **Pine straw (needles):** Resists erosion.
- **Fallen leaves and grass clippings:** Cost effective because they can be raked from the landscape. High in nutrients but decomposes quickly.
- **Eucalyptus:** Renewable resource because it originates in Florida plantations where the trees are grown specifically to produce mulch.

### Guidelines for the Use of Mulch

- Apply in a manner to maintain a two to three-inch layer around trees, shrubs, and bedding plants. Over-mulching can bury and suffocate plants. It prevents water and oxygen from reaching the roots.
- Do not mulch to the curb, sidewalk, or water's edge to avoid release of degraded mulch nutrients into storm drains or bodies of water.

- Avoid piling mulch against the base of a tree because it will hold moisture and contribute to rotting in the trunk.
- Keep mulch 6 to 12 inches from the trunks of trees and shrubs to prevent wood boring insects, gnawing rodents and decay.
- Rake old mulch because it can become matted, preventing water and air from reaching the soil.



*It looks as though I now have some direction. I'll look at the landscape contract to see if mulching is part of the services contract or an additional charge. Then I'll reach out to the landscape contractor to let them know that the board of directors may want to consider mulch installation in the common areas. Since I'm not an expert, it might be a good idea to have a couple of board members and landscape committee members to sit down with the landscaper and me to discuss types of mulch; what is involved in the installation and maintenance of mulching the common areas; and to be prepared to provide an estimate for the board of directors to consider.*

## Selecting Plants that Attract Wildlife

The adoption of this Florida-friendly landscaping principle serves as an acknowledgment that it is in the interest of the planet, the nation, the state, and its citizens to create a safe haven for native birds and other species of wildlife. Tourism, a vital industry in Florida, depends to a significant extent on tourists who want to experience the pleasures of seeing Florida wildlife in their natural habitat. Others simply love wildlife and the sight of a fox or squirrel on their property fills them with joy.

Animal related problems, including those cited above, cannot be eliminated, but they can be effectively managed. Secured trash cans, signage alerting residents and guests to the presence of alligators, erosion prevention techniques, traps, bat houses, beehive removal, and bird spikes are some of the methods associations use to respond to such problems. Managers can consult with pest control providers about solutions to animal nuisance issues.



*Some residents and I even question why the association should seek to attract wildlife to the property. Shouldn't we instead seek methods to prevent wildlife from gaining access to their properties?*

## Responsible Pest Management

Scientists currently recommend the use of a strategy known as **integrated pest management (IPM)**. IPM is an ecosystem-based strategy that focuses on long-term prevention of **pests** or their damage through a combination of techniques such as **biological control, habitat manipulation, modification of cultural practices**, and use of resistant varieties. Pesticides are used only after monitoring indicates they are needed

according to established guidelines, and treatments are made with the goal of removing only the target organism. Pest control materials are selected and applied in a manner that minimizes risks to human health, beneficial and non-target organisms, and the environment.

### Basic IPM Principles

The basic principles of IPM are as follows:

- Plant in the right locations to avoid plant stress, making them more susceptible to pests.
- Ensure that plants selected are pest-free or pest resistant.
- Use the proper amounts of water and fertilizer to keep plants healthy.
- Inspect plants frequently to detect problems early before considerable damage occurs.
- Mow to the proper height. Mowing too short weakens grass and makes it vulnerable to pests.
- Prune selectively. Improperly pruning trees weakens their resistance to pests.
- Recognize and conserve beneficial insects that prey on pest insects such as the assassin bug, green lynx spider, ladybug, big-eyed bug, green lacewing, parasitic fly, and parasitic spider.

### Common Pests

Common plant pests include aphids, mealybugs, scales, whiteflies, thrips, plant-feeding mites, caterpillars, and chinch bugs. Evidence of pest damage will often be visible before seeing the perpetrator. Chewed or deformed leaves, **sooty mold**, ants on plant stems or discolored areas on leaves are evidence of a pest at work. A sample of a damaged plant and pest can be taken to the County Extension office for identification and management suggestions.

Pests are omnipresent as well as the resulting plant damage. If the pests cannot be managed by beneficial insects or pruning affected parts of plants pesticides may be necessary. The most ecologically friendly types of pesticides are insecticidal soap, **horticultural oil**, **botanicals**, **microbials**, **Kurstaki**, and entomopathogenic **nematodes** (worms that kill insects). Broad-spectrum insecticides should never be used because they kill beneficial insects as well as pests.

### Lawn Pests

- **Chinch bugs** are one of the most serious pests, attacking St. Augustine grass. They thrive in hot and dry conditions where grass becomes more vulnerable. They can damage an entire lawn in a very short time.
- Fleas are great jumpers that actively seek out a host. They cannot survive well in the full sun. These little pests are found indoors as well as outdoors.
- **Ticks**

### Common Diseases

In addition to pests, plants are subject to diseases caused by viruses, fungi, and bacteria. Each type of plant can be vulnerable to specific organisms which cause a specific disease. Diagnosing the cause of disease can be problematic. Once again, the County Extension office is a valuable source of guidance in collecting and submitting samples and recommendations on treatment.

### Weeds

- **Broadleaf weeds:** A wide array of flowery plants with netlike veins. Varieties include dollar weed, Florida pusley, dove weed, spurge, oxalis, and hawksbeard.
- **Sedge weeds:** Their leaves are longer than they are wide and solid triangular stems generally with a seed bulb at the top of the stem. Generally, they grow much taller than grass. Varieties include purple nut sedge, yellow nut sedge, and kyllinga sedge.
- **Grassy weeds:** They resemble grass and are uncontrollable. Varieties include smooth crabgrass, alexander grass, Bermuda grass, and torpedo grass.

### Pesticides

The use of pesticides (including herbicides) is governed by F.S. 487, the Florida Pesticide Law that regulates their distribution, sale, and use.



*The association must ensure that pesticides are used strictly according to their labels or as directed by the EPA or the FDACS. It may lead to serious legal implications for the association if it allows unlicensed or uncertified personnel to perform pest control services.*

Ref: US Environmental Protection Agency (EPA); Florida Department of Agriculture & Consumer Services (FDACS).

Recycling landscape waste is another provision of Florida-Friendly Landscaping. Community associations can use their landscape waste to save money and enrich their soil. When mowing, the clippings should be left on the lawn where they will decompose and provide nutrients for the soil. Clippings can also be used as mulch or compost. After pruning shrubs and other small plants the cuttings can be shredded and used for compost, mulch, or just left to decompose.

### Reduce Storm Water Runoff



*Water containing fertilizers and/or pesticides runs off land surfaces, either due to rain or over-watering, into these bodies of water, is another concern of our residents and the board of directors. This association uses a combination of swales and berms to help to reduce the rate of surface runoff.*

### Protecting the Waterfront

The land along the shoreline is called the **Riparian Zone** and is frequently a **wetland**. A minimum 10-foot maintenance free buffer zone should separate landscaped

areas from the waterfront to help reduce pesticide and fertilizer runoff. Freshwater shorelines often typically contain vegetation that attract native wildlife and limit erosion. Such a shoreline should contain native aquatic plants, such as soft-stem bullrush, giant bulrush, common arrowhead, pickerelweed, and maiden-cane. Invasive exotic species, such as water hyacinth, purple loosestrife, hydrilla, and water chestnut should be removed.

### Wetlands

**Wetlands** provide flood protection by absorbing the force of floods from hurricanes and tropical storms, thereby lowering their impact on the immediate surroundings. Wetlands that are found near flood prone areas or along the shore help to limit soil erosion through securing the soil in place.

They also reduce pollution by filtering water of nutrients and toxins from fertilizer and pesticide runoff which contributes to algae formation. Before reaching the water body, wetland plants will take many of the harmful substances into their roots and make them less toxic before they are released into the water body. The substances may also become buried in wetland soil, where

bacteria and other microorganisms break them down until they become harmless. This natural method of cleansing reduces the quantity of pollution and nutrients that enter the water system.

Wetlands provide a habitat for fish and wildlife, including endangered species. Most birds like geese, hawks, woodpeckers, and ducks rely on wetlands at certain periods of their lives for nesting or food.

Finally, they are beneficial to the economy by providing a rich environment for commercial fisheries and tourism.

Waterfront property and wetlands are often protected by local or state regulations (such as mangroves). Make sure to contact the Florida Department of Environmental Protection and/or local government before making any changes, such as removing vegetation or building a structure. Failure to do so can result in substantial fines.

Erosion is a common problem for associations located in riparian zones. Manufactured structures, such as seawalls, **rip rap**, and **gabions** are frequently used to prevent loss of land and beach and dune sediments by wave action, tides, currents, and high winds.

## PART 4: LANDSCAPE CONTRACTS, CAM'S ROLE, GOVERNING DOCUMENTS, AND LANDSCAPE PROJECTS



*As the CAM, I have no ultimate authority over the contracts that the association's board of directors enter into. However, I enjoy a healthy professional relationship with the association, and they often include me in their decision-making discussions.*

### The Landscape Contract

The landscape contract should be created by the association's attorney in consultation with the board of directors, and if applicable, the chair of the landscape committee, and the CAM.

#### Contract Provisions

The following description of provisions that should be included in a landscape contract is derived from the Florida-Friendly Landscaping™ Management Contract, prepared by UF/IFAS Extension.

- **Worksite location:** The contractor shall be provided with a map and plans of the property, delineating the area to be maintained.
- **Baseline landscape evaluation and assessment:** The contractor shall document the area with photographs of the existing conditions, prepare an inventory of dead and declining plants, and an evaluation of the irrigation system, and any waterbodies on the property.
- **The association shall designate its contacts:** Typically, the contacts are the CAM and/or a

landscape committee chairperson (if applicable).

- **The contract shall include provisions related to the contractor's work methods including commitments:**
  - To comply with Florida-Friendly Best Management Practices for Protection of Water Resources by the **Green Industries**
  - To supply all necessary labor, materials, equipment, tools, and supplies
  - To supervise all workers at the worksite
  - To ensure that all work is performed in a skillful manner
  - To ensure that only quality equipment and quality materials are used
  - To ensure compliance with plant health and appearance as per specifications described in the contract
- **The contract shall describe, in an appendix, the regularly scheduled work required of the contractor.** The description must include detailed information regarding the type of equipment used, and the required methods for debris disposal, mowing, edging, trimming, mulching, pruning, fertilization, and pest and irrigation system management.
- The contract shall:
  - Define its effective (beginning and ending) dates.
  - Describe, in an appendix, the definition of terms used in the contract.

- Include the monthly cost of the regularly scheduled work.
- Describe the invoice and payment process, including late payment and late payment charge.
- Require the contractor to document irrigation system inspections, IPM monitoring, soil and pest management treatments, and other chemical applications.
- Describe the methods of termination of the contract, including for cause by association, for cause by contractor, and at-will (without requiring cause).
- Designate regularly scheduled work hours.
- Identify any limitations on scope of work, such as plant replacement (other than those damaged by contractor), repair or changes to the irrigation system, and tree removal.
- Require the contractor to report any need for work, beyond the scope of the work described in the appendix, to the association upon discovery (and include timeframes for doing so).
- Identify the contractor as an independent contractor.
- Require the contractor to comply with all federal, state, and local laws and ordinances when performing work on the worksite, including those related to the safety of persons, such as those required by the Occupational Safety and Health Administration (OSHA).
- Require the contractor to maintain all valid licenses and certifications and provide them to the association upon request.
- Require the contractor to protect the worksite from damage, including all plant materials, structures, utilities, and natural areas both above and below ground; to report damage to the association; and to restore the damaged object or area to its previous state.
- Require the contractor to use their best efforts to protect the property from chemical, fuel, oil, and other contaminated spills and provide any required environmental cleanup if it has caused the contamination.
- Prohibit the contractor from blowing or placing soil, chemicals, mulch, and other materials into storm water drains.

Other facets of the landscape contract will include certain requirements with respect to the contractor's employees and subcontractors.

- The contractor shall provide and update a list of names of its current employees, as well as any subcontractors' employees, their contact information, and schedules.

- The contractor shall ensure that any supervisor speaks, writes, reads, and understands English and is capable of writing schedules and deficiency reports.
- Supervisors shall have a minimum of three years' landscape maintenance experience.

The contract should also ensure the following:

- The contractor's employees will wear clean uniform shirts that clearly identify the name of the contractor, as well as proper shoes, and use the equipment required by state safety regulations.
- The contractors' vehicles must be clean and presentable and have legible signs that clearly display the contractor's name and telephone number.
- All employees who apply commercial fertilizer shall hold Green Industries' best management practices certification, and other licenses and/or certifications as required by F.S. 482.1562.
- Subcontractors shall be used only upon written consent of the association; the contractor shall supervise the subcontractor and be responsible for their quality of work.

### Insurance Coverage and Indemnification

The contract should require the contractor and subcontractors to:

- Maintain general insurance liability, broad form contractual liability, automobile liability, and workers' compensation insurance.
- Carry workers' compensation insurance with employers' liability of at least \$1,000,000 and a waiver of *modification* for the work or job performed.
- Indemnify and hold harmless the association, to the fullest extent permitted by law, against all claims, losses, and expenses that arise out of or result from any act or omission, whether negligent or not, relating to any contractual service provided by the contractor or its subcontractors.

In addition to any manufacturer warranties, the contractor should warrant for a specified period the quality of any equipment and system installed at the worksite, trees, and palms for 365 days, and shrubs, turf grass, **perennials**, and **groundcovers** for a specified period.

### The CAM's Role

For  
D&A

*When I began my career as a CAM, I often wondered "Why do I care?" Aren't these the board of directors' responsibilities? What exactly is my responsibility as a CAM when it comes to landscaping?*

Florida statutes identify a number of responsibilities for a CAM. A contract that a management firm may enter into with a community association will include numerous other responsibilities that are agreed to between the management company and the community association, generally through the board of directors.

Property maintenance matters are generally the responsibility of a CAM, not from the perspective of performing the task, such as landscaping, but from the perspective of understanding what the community's landscaping needs are; knowing what the provisions of the contract are; communicating with the board of directors, and/or a landscape committee, and the landscape contractor.

A CAM should have an awareness of state and local ordinances and requirements. This might include knowing if the local municipality requires anything extraordinary should the community association wish to modify the landscaping around the perimeter of the community or perhaps within the community or its entrance.

The CAM generally provides some guidance to the board of directors about contractors and their contract. For instance, some counties in Florida require landscapers and irrigation professionals to be licensed. If the community association wants to solicit bids for new landscape services, licensing requirements certainly would be important for the board to know. Or perhaps an owner wishes to use **xeriscaping** on their property. It may be important for the CAM to understand what xeriscaping is and that the association may not be able to prohibit it.

No matter if the homeowner or association is responsible for landscape maintenance, the CAM has the responsibility to report to the board of directors any unusual circumstances or violations that occur as part of the enforcement of covenants, rules and regulations, and the contract for landscaping services.



*Like last year when a resident cut down a tree on the common area to use as kindling for their outdoor firepit.*

### Roles and Responsibilities Matter

Boards of directors determine the CAM's job responsibilities. These responsibilities are relayed to the CAM or community association management firm by a contract, by written job description, and/or by written or oral direction from the association president or board. Typically, the CAM's function is to facilitate the achievement of the association's goals and objectives.

Associations that contract for landscaping related services, such as landscaping, tree trimming, irrigation,

pest control, and shoreline or lake management describe those goals and objectives in the contracts that its attorney creates or approves with each provider.

Associations that use their own in-house employees should express those goals and objectives in an annual landscape plan and in each employee's job description. It should be noted that F.S. 482.071 requires that all businesses and persons, regardless of whether they are employed by the association or a vendor engaged in pest control, be licensed by the Department of Agriculture and Consumer Services. Additionally, an arborist certified by the International Society of Arboriculture (ISA) is required to trim trees above twelve feet.

### Typical CAM Responsibilities

CAMs are typically required to facilitate achievement of the association's landscape related goals and objectives. Generally, their responsibilities will include:

- Oversight of contracts
- Governing documents and landscaping projects
- State statutes and local ordinances.

### Oversight of Contracts

The CAM should inspect and determine that work is being completed consistently and in conformance with the terms of the contract before approving the processing and payment of an invoice.

Ordinarily, the CAM is a generalist, possessing basic, but not in-depth, knowledge of numerous work-related activities. Additionally, the CAM is typically under pressure to meet deadlines, manage special projects, create a budget, prepare for meetings, respond to member problems, and meet the diverse needs of a demanding board of directors.

Some managers find themselves with inadequate time and knowledge to properly inspect a vendor's or an employee's work.



*But I sure knew that the perimeter hedges were to be maintained quarterly, and the contractor was two weeks behind, making excuses each time we talked. I made that note on my manager's report.*

### Maintenance Supervisors and Committees

Fortunately, many associations have an exceptionally knowledgeable maintenance supervisor to whom the CAM can delegate at least partial responsibility for inspection of landscape related work. The CAM can require the supervisor to inspect and sign off on both regularly scheduled work, such as lawn maintenance and tree trimming, as well as replacement of flower beds and dead plants. A community association may have a landscape committee, consisting of knowledgeable persons who commit their time to ensuring that the

property is beautifully landscaped. The committee often performs design, as well as inspection, functions. The committee chair is often the contact person for the landscaper.



*As the CAM, I need to know if the documents or the association have provided a committee with certain authority, such as making final landscape decisions or expending funds for landscape improvements. Or if the committee is only advisory to the board.*

## Vendors

The proper selection of vendors, for those associations that contract for landscaping services rather than using employees, is essential.

Association boards are almost always under pressure to keep costs low. However, the low bidder is frequently not the best choice if the association demands high quality service.

The CAM is frequently involved in the bidding process and may be required to provide a summary of the proposals, check references, and inspect properties the competing companies are currently maintaining. The CAM should base any recommendation they may offer on quality rather than price.

## Landscape Teams

To effectively facilitate the accomplishment of the association's landscape goals, the CAM must coordinate with all the participants in the process. They must, in effect, create and manage a landscape team consisting of the vendors or employees providing landscaping, pest control, irrigation, and tree trimming services, lake or shoreline services (if applicable), and landscape design (when utilized), as well as the maintenance supervisor and landscape committee chairperson.

Regardless of the existence of a landscape committee or highly competent maintenance supervisor, the CAM will typically be held accountable for the quality of landscaping and vendor compliance with contracts.



*Remember, not all community associations are alike. While many have a full staff on site, including administrative, janitorial, maintenance, and a CAM; other associations do not have such personnel. A CAM may be more like the lone ranger. In situations like this, the CAM is typically still held accountable for the quality of services and vendor compliance with the contracts!*

## Ongoing Education

CAMs should continuously be engaged in improving their knowledge of landscaping, as well as other specialized services. They can accomplish this by attending continuing education courses as well as other educational forums. The landscape company can become a great source of advice and consultation.

UF/IFAS has excellent publications that can provide the CAM with information on a broad range of landscape-related topics. Professional employees of County Extensions are exceptionally knowledgeable and available for consultation.

Tim learned a lot through the years. When he began his career, the landscape crew showed up with several large mowers and large crews to handle them. Now the association's landscape company uses robots to mow, and the irrigation system is tested remotely. Acceptable plants, regulation, services, and equipment all have gone through dynamic changes.

## Other Responsibilities

CAMs must allocate time to the property on a regular basis, as well as the work performed by employees and vendors. They may choose to do this in conjunction with the maintenance supervisor, committee chair, and/or service provider, or by themselves.



*As a CAM it's important that I provide regular status reports to the board on the implementation of the basic contract, as well as any ongoing routine and specialized landscaping projects.*

A good CAM is a resourceful CAM. Despite job pressures and time constraints, the CAM must find a way to ensure that the landscaping meets the standards set by the board of directors, the president, and/or the committee chairperson.

## Governing Documents and Landscaping Projects

Issues with the governing documents, as well as state statutes, often emerge when the board determines to create a "new look" to their landscaping, frequently including **hardscape** structures.

Such changes may constitute a material alteration to the property. A material alteration may, depending on the association's documents and/or Florida statutes, require an affirmative vote of a specific percentage of the TVI of the association at a membership meeting. The documents may also require approval of the membership to spend in excess of a specific dollar amount for a **capital project**.

The CAM must be thoroughly familiar with their association's documents and be prepared to inform the board when a legal consultation is needed to avoid the potential negative consequences of a violation.



*In the spring, the board decided to change the entire look of the entrance and along the front wall. If I had not mentioned to the board that they might want to consider contacting the town first, they would have had to tear everything out! As it turned out, they were required to have a landscape architect*

*draw up the plans, submit a request to the building department to make the changes, and comply with the materials used along the front wall.*

Tim didn't offer legal advice, which would have been in violation of the Florida Supreme Court Advisory Opinion #SC 13-889 (known as UPL) relating to practicing law without a license. Instead, he provided guidance to the board for their consideration based on his specialized knowledge and management skills.

### **Competitive Bidding**

Additionally, for large projects, boards may need to be reminded that state statutes require competitive bidding for any project costing more than 5% of a condominium or cooperative's annual budget and 10% of an HOA annual budget. To properly bid out a landscaping project, a **landscape architect** or **landscape designer** is required to create the design, write up the bid specifications, determine whether the bid proposals are comparable, and manage the project to ensure compliance with the specifications.

## **COURSE SUMMARY**

The objective of this course, Landscape Maintenance Responsibilities in Community Associations, is to provide managers with an understanding of the basic principles of landscaping, the landscape maintenance contract, and the role of the community association manager. Frequently, a course on the basics of any subject leaves the student with more questions than answers. If, in addition to accomplishing the course objectives, students are motivated to seek more in-depth knowledge of the subject

matter, all the better for the CAM and the associations they manage. It may then perhaps be said that Landscape Basics provided the seeds, water, fertilizer, and maybe even the mulch to grow a "greener" community association manager.

You'll find a quick 10-question quiz in the front of the book. We hope this course helps you in your continuing CAM career!

## **VALUABLE LANDSCAPING REFERENCES**

CAMs should be familiar with the following state statutes and local ordinances that regulate landscaping:

- F.S. 373.185 - Local Florida-Friendly Landscaping Ordinances
- F.S. 403.9337 - Model Ordinance for Florida-friendly Fertilizer Use on Urban Landscapes

- F.S. 373.228 - Landscape Irrigation Design
- F.S. 482 - Pest Control
- F.S. 373 - Water Resources
- F.S. 403.9326 - Mangrove Trimming Requirements

### **Water Management Districts (WMD)**

CAMS should also be knowledgeable of the landscape-related ordinances of the counties and municipalities in which the properties they manage are located. The association's attorney can provide guidance with respect to the statutes and ordinances as well as any relevant federal laws.

#### **Northwest Florida WMD**

Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Homes, Jackson, western Jefferson counties, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington

Website: [www.nfwfwater.com](http://www.nfwfwater.com)

#### **St. Johns River WMD**

Brevard, Clay, Duval, Flagler, Indian River, Nassau, Seminole, St. Johns, Volusia, and portions of Alachua, Baker, Bradford, Lake, Marion, Okeechobee, Orange, Osceola, and Putnam

Website: [www.sjrwmd.com](http://www.sjrwmd.com)

#### **South Florida WMD**

Broward Collier, Dade, Glades, Hendry, Lee, Martin Monroe, Palm Beach, St. Lucie, and portions of Charlotte, Highlands, Okeechobee, Orange, Osceola, and Polk

Website: [www.sfwmd.gov](http://www.sfwmd.gov)

#### **Suwannee River WMD**

Columbia, Dode, Gilchrist, Hamilton, Lafayette, Madison, Suwannee, Taylor, Union and portions of Alachua, Baker, Bradford, Jefferson, and Levy

Website: [www.mysuwanneeriver.com](http://www.mysuwanneeriver.com)

#### **Southwest Florida WMD**

Citrus, DeSoto, Hardee, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Sarasota, Sumter, and portions of Charlotte, Highlands, Lake, Levy, Marion, and Polk

Website: [www.swfwmd.state.fl.us](http://www.swfwmd.state.fl.us)

# GLOSSARY

## A

**algae:** A simple nonflowering plant of a large group that includes seaweed and many single-celled forms. Algae contain chlorophyll but lack true stems, roots, leaves, and vascular tissue.

**aquifer:** A body of permeable rock that can contain or transmit groundwater.

## B

**bedding plant:** A plant set into a garden bed or container when it is about to bloom, usually an annual, used for display and discarded at the end of the season.

**biological control:** The use of natural enemies (predators, parasites, and pathogens such as microbial insecticides) to suppress pests.

**botanicals:** A pesticide whose active ingredient is a plant-produced chemical, such as nicotine or strychnine.

**broadcast spreader:** Designed to spray granular fertilizer in several directions or over a wide area.

## C

**capital project:** A capital project is a project requiring relatively large sums of money to acquire, develop, improve, and/or maintain a capital asset, such as land, buildings, and roads.

**compost:** Decayed organic material, including dead leaves, grass cuttings, manure, and food waste used as plant fertilizer

## D

**deciduous trees:** Trees or shrubs that lose their leaves seasonally (most commonly during autumn).

**drop spreader:** Deposits granular fertilizer directly between its wheels.

## E

**ecosystem:** A biologically interconnected community interacting with organisms and their physical environment.

**estuary:** An estuary is a partly enclosed coastal body of brackish water with one or more rivers or streams flowing into it, and with a free connection to the open sea. Estuaries form a transition zone between river environments and maritime environments.

## F

**fertilizer:** A chemical or natural substance added to soil or land to promote plant growth.

## G

**gabions:** A cage, or basket filled with rocks or concrete used to prevent shoreline erosion.

**go to seed:** Permitting grass or other plants to grow without cutting, resulting in the development of seeds.

**green industries:** Environmentally friendly industries.

**groundcover:** Low-growing, spreading plants that help to stop weeds from growing.

## H

**habitat manipulation:** Manipulation of cultivated areas and surrounding environment with the aim of conserving or augmenting populations of natural enemies.

**hardscape:** Structures, such as fountains, benches, and gazebos that are incorporated into a landscape.

**herbicides:** A chemical that is used to destroy unwanted plants, especially weeds.

**horticultural oil:** Lightweight oils, either petroleum or vegetable based, used to control insects and mites.

## I

**inorganic fertilizer:** Fertilizer that is mined from mineral deposits or manufactured from synthetic materials.

## K

**kurstaki:** *Bacillus thuringiensis* is a soil-dwelling bacterium, commonly used as a biological pesticide.

## L

**landscape:** Any combination of living plants (such as grass, ground cover, shrubs, vines, hedges, or trees) and non-living landscape material (such as rocks, pebbles, sand, mulch, walls, fences, or decorative paving materials).

**landscape architect:** DBPR's board of landscape architecture is responsible for licensing and regulating landscape architects. The requirements for licensure include a professional degree in landscape architecture and one year of approved practical experience; or seven years of practical experience acceptable to the board.

**landscape designer:** Landscape designers do not have any licensure, educational, or training requirements. If permits are required, the county or municipality may not accept the design and specifications developed by a landscape designer.

**leaching:** Natural process by which water soluble substances (such as calcium, fertilizers, and pesticides) are washed out from soil or waste. These leached out chemicals cause pollution of surface and sub-surface water.

**lime:** A white caustic alkaline substance consisting of calcium oxide, obtained by heating limestone.

## M

**microbials:** Consist of microscopic living organisms (viruses, bacteria, and fungi) and can be applied like chemical pesticides.

**modification of cultural practices:** Changing practices that reduce pest establishment, reproduction, dispersal, and survival. For example, changing irrigation practices can reduce pest problems, since too much water can increase root disease and weeds.

## N

**nematode:** Any of a phylum of elongated cylindrical worms, parasitic in animals or plants.

## O

**organic fertilizer:** Fertilizer that is derived from plants and animals includes ingredients, such as manure and compost.

## P

**perennials:** Perennial plants live for more than one growing season and return the following year. The term is often used to differentiate a plant from shorter-lived annuals and biennials.

**pervious:** Allowing water to pass through; permeable. For example, concrete is a pervious material.

**pesticides:** A substance used to control pests or weeds.

**pests:** Any plant, animal, or pathogenic (a bacterium, virus, or other microorganism causing disease) agent injurious to plants or plant products.

**pH:** Defines whether a substance is acidic or alkaline. A solution is considered acidic if it contains more hydrogen than water (pH 7.0).

**plant stress:** Plants subjected to less-than-ideal growing conditions are considered to be under stress, which can negatively affect growth and survival.

**plants:** A living organism of the kind exemplified by trees, shrubs, herbs, grasses, ferns, and mosses, typically growing in a permanent site, absorbing water and inorganic substances through its roots, and synthesizing nutrients in its leaves by photosynthesis using the green pigment chlorophyll.

**pruning:** Trimming (a tree, shrub, or bush) by cutting away dead or overgrown branches or stems, to improve health, control growth, and increase fruitfulness.

## R

**reclaimed water (or recycled water):** Former wastewater (sewage) that is treated to remove solids and impurities, and used in sustainable landscaping irrigation to recharge groundwater aquifers, to meet commercial and industrial water needs, and for drinking. An **aquifer** is a body of permeable rock that can contain or transmit groundwater.

**rip rap:** Rock or other material used to protect shorelines, streambeds, bridge abutments, pilings, and other shoreline structures against scour and water or ice erosion.

**root pruning:** The trimming of roots to stimulate growth, develop a thick mass of roots, or to remove broken or damaged roots.

## S

**salt marsh:** A salt marsh is a coastal ecosystem between land and open salt water or brackish water that is regularly flooded by tides. It is dominated by dense stands of salt-tolerant plants, such as herbs, grasses, and low shrubs.

**shrub:** A woody plant that is smaller than a tree and has several main stems arising at or near the ground.

**soil:** The upper layer of earth in which plants grow, a black or dark brown material typically consisting of a mixture of organic remains, clay, and rock particles.

**soil subsidence:** The gradual caving in or sinking of an area of land.

**sooty mold:** A type of plant mold that grows in the secretion (honeydew) of many common plant pests, such as aphids or scale. The pests cover the leaves in honeydew and the sooty mold spore lands on the honeydew and begins to reproduce.

**storm water:** Surface water in abnormal quantities resulting from heavy falls of rain or snow.

## T

**trees:** A plant with an elongated stem, or trunk, supporting branches and leaves in most species. Trees include a variety of plant species that have independently evolved woody trunks and branches as a way to tower above other plants to compete for sunlight. Palms and bamboo are actually grasses. For the purpose of this course any reference to trees will include palms and bamboo.

**turf:** Grass and earth held together by roots.

**turf block:** Interlocking concrete or plastic cells used for decorative purposes.

**turf grass:** Grass grown for lawns, of a type that forms a dense even turf if mown and maintained.

## U

**understory trees:** Small trees, shrubs, and vines that grow under the taller trees. These plants can grow in the shade of the taller trees and remain short even if they are old.

## W

**water stress:** Occurs when the demand for water exceeds the available amount during a certain period or when poor quality restricts its use. Water stress causes deterioration of freshwater resources in terms of quantity (aquifer over-exploitation, dry rivers, etc.) and quality (eutrophication, organic matter pollution, saline intrusion, etc.).

**wetland:** A transition ecosystem between land and water, such as bogs, mangroves, swamps, and marshes

**wildlife:** Undomesticated animals living in the wild, including those hunted for food, sport, or profit.

## X

**xeriscaping:** Xeriscaping (pronounced *zir-uh-skape-ing*) combines the Greek word for dry (*xeros*) with the word *landscaping*. Coined by the Denver Water Department in 1981, the term *xeriscape* relates to the practice of designing water-efficient landscapes to reduce or eliminate the need for irrigation.

# Budget Fundamentals

## 3 Hours of CE Credits (IFM or ELE)

Approval: Correspondence #9633810  
Distance/Online #9633811

Expiration: 10/15/2027  
Expiration: 10/15/2027

### Course Overview

In this course we discuss fundamentals of the budget and financial management process for community associations. When used properly, the budget serves the association as a guide to compare, throughout the fiscal year, its actual revenue and expenses to its budgeted revenue and expenses. Good financial management practices are a responsibility of a board of directors as well as that of a CAM, management firm, and/or managing entity.

### Learning Objectives

- Understand some of the primary elements of a budget
- Identify the roles of those who develop an annual budget
- Understand the role of a CAM, management firm or managing entity
- Know the statutory requirements for condominiums, cooperatives, HOAs, and timeshares
- Understand the processes of budget preparation and development
- Identify the components of the operating section of a budget
- Understand the reserves, their functions, processes, and characteristics
- Discuss statutory reserve requirements
- Understand insurance statutory requirements as it applies to budget preparation

## INTRODUCTION

It is common for a CAM to play a significant role in the development and preparation of a community association's annual budget. Times have changed! If you, as a CAM, have been engaged in budget preparation over a number of years, you can't ignore the fact that statutory requirements, and economic and environmental concerns have had an impact. As a result of such changes, CAMs and management firms have had to evolve their business relationships and responsibilities with the community associations they serve. With the help of a fictional CAM, Mike, we will discuss many of the basic components of a budget and explore the ways in which a CAM might find themselves assisting a board or budget committee to prepare a budget that meets the criteria of a fair and balanced financial system of the community association.

A community association is a legal entity (corporation) established to operate and maintain common property for the benefit of its members. The board of directors must have a financial plan (budget) to serve the goals, objectives, and legal requirements of the association. The budget provides a **projection** of income and expenses for

a fiscal year and serves as the basis for determining the financial obligations of its members, whether through regular assessments or other fees and obligations to the association.

This course is divided into four parts:

**PART 1:** Elements of the budget process

**PART 2:** The operating section of the budget

**PART 3:** Reserves

**PART 4:** Insurance

### Introducing Mike



*Hello, I'm Mike and I've been an on-site CAM for the same community association for more than seven years. I've been involved in preparing and developing the budget for five of those years. During the first year, the board treasurer prepared the budget. The board appointed a budget committee in year two. From year three the board recognized the value of the CAM playing a major role in the development and preparation of the budget. They still appoint a budget committee each year, but we now work together on this important function in the life of their community association.*

## PART 1: ELEMENTS OF THE BUDGET PROCESS

Regardless of the effectiveness of the budgetary process, unanticipated events will occur (such as hurricanes or other catastrophic events, or an unexpected breakdown of a major piece of equipment, such as an elevator or generator), resulting in variances from the budgeted amounts of both revenue and expenses. Sometimes those variances are favorable, less money expended than budgeted in a specific account or more revenue generated. Other times they are unfavorable, more money spent or less revenue realized.

What is important is that the total of actual revenue and expenses be within budgetary limits, so as not to produce a budget deficit. In the event of a budgetary deficit, the board will need to either reduce expenses, increase revenue, or expend surplus monies accumulated in its cash accounts, if legally permitted.

The documents should be checked to determine what are common elements, limited common elements, and unit components. At this stage of budget preparation, the board and management are confirming what the association is and what the member is responsible for. Remember, association funds cannot be used for maintenance of those items that the member is responsible and such items/elements should not be included in the budget.

### Who is Responsible for Preparing the Budget?

The board of directors is responsible for the development of the proposed annual budget, unless the bylaws specify another entity. The association treasurer is responsible for all financial matters of the association, including coordinating the development of the proposed annual budget.

A budget committee can be the preferred choice when a substantial assessment increase is anticipated. The inclusion of respected community members on the committee can provide legitimacy to the increase and foster understanding of the proposed budget by members. A committee can often be helpful when a CAM has the primary role in the budget preparation process but requires assistance to meet deadlines.

- The board or president's authority to appoint and delegate power to committees is governed by the association documents (generally, the bylaws).
- Special committees (also referred to as ad-hoc, select, task force, or work group) are created to perform a specific, time-limited purpose. If the association's bylaws or rules are silent on the method of creating special committees and appointing committee members and chairpersons, the board can empower the president with the authority or opt to require a vote of the board. Some associations may interpret

their bylaws in a manner that allows the president to create committees, and to appoint and remove their members and chairpersons.



*Depending on the association, the board may choose to have one or a combination of the following entities develop the proposed budget. Each approach has advantages and disadvantages. When the association undergoes a significant change or expects major repairs and projects to appreciably increase costs, the board may want to consider involving the association members. Typically involved are the manager or management firm, accountant, budget committee, treasurer, president, or other designated board member.*

Members who are involved in the budget development process might be more likely to accept and understand the budget that is required by the association.

Many association documents set specific guidelines for budget preparation such as the maximum allowable increases or formal acceptance of the proposed budget by the board at a duly noticed meeting.

### What is the CAM's Role?



*It varies in community associations, but typically, the CAM has a significant role in the development of the budget. Even when the CAM doesn't have a prominent role, it's a good idea to stay up-to-date and perhaps monitor the process. This is a way for the CAM to help or provide information to whomever is developing the budget and to advise the board of the budget development status. Remember, as a CAM, we may have information or documentation at hand so that a board member, committee member, or accountant may not have readily available to them during the preparation process.*

Sometimes, budgets are developed with certain preconditions set by the association's documents or a board. This might include conditions prescribed in the documents, such as prohibiting the assessments from increasing by more than a particular percentage, or directives from a board to "keep assessments at a same level" or "reduce expenses by 10%."



*Remember, if the CAM observes that the board's preconditions could result in insufficient funds to properly maintain the property and meet the association's other objectives, the CAM has a fiduciary responsibility to inform the board. If potential statutory violations are observed, the manager is responsible for recommending to the board that it seek legal guidance. Management should never perform an act directed by the association or its board, if the act violates state or federal law.*

Any concerns of how the budget is being developed should be brought to the attention of the president or treasurer and create a memorandum to file. If the CAM is employed by a management firm, a written report, describing and explaining their concerns, should be forwarded to their supervisor.

CAMs, with some exceptions, are typically required to be able to properly develop a budget. Creating an effective budget requires knowledge of budget related statutes and administrative rules, as well as relevant provisions within the association's governing documents.

A CAM who prepares an improper budget as a result of the lack of knowledge does a disservice to the association and risks disciplinary action by the DBPR, should it receive a complaint from the association.

A CAM should understand that even when they have the primary role of developing a budget, they need to consult with the association president, treasurer, and/or other board officers, the association's attorney, accountant, insurance agent, maintenance director, and service providers to obtain information and guidance ruling the budget process.



*One size does not fit all. A CAM must understand that the budget preparation process differs from association to association, type to type. Don't perform any tasks for which you lack the skill to do properly.*

## Statutes and Code Guidance

The Florida Statutes (F.S.) and the Florida Administrative Code (F.A.C) describe the legal requirements for budgets. The following describes some of the important requirements for each type of community association according to statute.

### Condominiums and Cooperatives

The basic requirements for condominium budgets are provided in F.S. 718.112(2)(e) budget meeting, F.S. 12 718.112(2)(f) annual budget, F.A.C. 61B-22.003 budgets, and F.A.C. 61B-22.005 reserves. The basic requirements for cooperative budgets are provided in F.S. 719.106(2)(e), F.A.C. 61B-76.003, and F.A.C. 14 61B-76.005.

A condominium or cooperative board of directors must provide for certain expenses in a proposed annual budget, including the following items, as applicable (example: if the association does not have a manager or management company, it will not have a line item for management fees):

- Administration of the association
- Fees payable to the DFCTMH
- Insurance
- Maintenance
- Management fees

- Operating capital
- Rent for recreational and other commonly used facilities
- Other expenses
- Reserves
- Security provisions
- Taxes on leased areas
- Taxes on association property
- Reserves

The annual budget required by F.S. 718.112(2)(f) and any proposed budget to be considered at budget meeting, must be on the website for those associations required to have a website.

*Effective January 1, 2026, condominium associations with 25 or more units shall post digital copies of the documents specified in 718.111, (12)(g) subparagraph 2, which includes the budget and proposed budget, on its website or make such documents available through a mobile app.*

### Multi-Condominium

A multi-condominium refers to a real property containing two or more condominium buildings, each of which must have a separate budget reflecting estimated revenue and expenses specific to that building. Depending on the master association documents, assessments may be paid by the building or by the member. If the building pays the master, it includes a single income and a single expense line item in the budget for that master association. If the members pay the master directly, the building will not reflect master association revenue or expenses.

### Mixed-Use Condominium

A mixed-use condominium association consists of both residential and commercial units. The declaration or bylaws may define the requirements for a mixed-use association. Generally, the association must budget separately for the community association portion versus the commercial portion. In some cases, the association owns and leases the commercial space. In such cases, the budget most likely will include a separate section for the commercial elements, indicating both the revenue and expenses.

In other cases, for instance, where there are condominium units and hotel units, the entity may require a separate budget for each. The documents should include a formula for the allocation of expenses for shared common elements, such as the pool, conference rooms, elevators, etc.

### Homeowners' Association (HOA)

The basic requirements for homeowners' association budgets are provided in F.S. 720.303(6). There is no statutory requirement for the common reserves or

common expenses to be included in the HOA budget. The budget may include reserves, as specified by the documents or statutes.



*It is necessary to review the documents of homeowners' associations to determine the budgetary requirements.*

The budget must include the estimated revenue and expenses for the upcoming fiscal year and the estimated surplus or deficit as of the end of the current fiscal year. The budget must also set out separately all fees or charges for recreational amenities, whether they are owned by the association, the developer, or another entity.

### Timeshares

F.S. 721.07(5)(t), F.S. 721.55(4)(h)5, and F.A.C. 61B-40.004 requires each year an itemized annual budget, that includes all estimated revenues and expenses, be provided to all purchasers. The budget shall be the final budget adopted by the managing entity for the current fiscal year and shall include the following accounts:

- Administration of the managing entity
- Insurance
- Maintenance
- Operating capital
- Other expenses
- Reserves for deferred maintenance and for capital expenditures
- Rent for facilities
- Security provisions
- Taxes on timeshare property

A copy of the approved annual budget for a timeshare plan is filed with DFCTSMH within 30 days after the beginning of each fiscal year.

- Managing entity means the person or entity who operates or maintains the timeshare plan. The managing entity can be the developer, a separate manager or management firm, or an owners' association.
- Division of Florida Condominiums, Timeshares, and Mobile Homes (DFCTMH) is a division within the Florida Department of Business and Professional Regulation (DBPR). The Division plays a crucial role in the regulation and oversight of condominiums, cooperatives, timeshares, and mobile homes in Florida.
- Effective July 1, 2025, F.S. 468.438 Timeshare management firms: A timeshare management firm and any individual licensed under this part who is employed by a timeshare management firm are governed by F.S. 721.13 and not by F.S. 468.4335.

- This action removed the provision that any managing entity performing community association management must comply with part VIII of F.S. 468.

Timeshares, F.S. 721, provides that to determine if the assessments exceed 115% of the preceding fiscal year the calculation must exclude the cost of insurance.

Effective July 1, 2025, relating to Timeshare statute 721.13 Management, requires that If a timeshare management firm or an owners' association provides goods or services through a parent, affiliate, or subsidiary of the timeshare management firm, the fact that a related party is providing goods or services must be disclosed annually to the members of that owners' association in a number of ways, including as an explanatory note to the annual budget.

*The other options for disclosure included in the management contract; by mail sent to each owner's address on file for providing notice; in the notice of an annual or special meeting of the owners; by posting notice on the website of the applicable timeshare plan; or by any owner communication used by the managing entity*

### Budget Preparation



*The board, with the manager's input, should determine the date it intends to hold the budget meeting. The board should set a date that permits sufficient time for development of the budget, review it with the president, treasurer, and/or board members, and allow for the required minimum 14-day notice to members (unless the documents require a longer notice).*

As part of a CAM's role, once the budget is adopted, management needs to notify members of the assessment for the new fiscal year. Some members will need time to inform their financial institutions of changes in the assessment amount. If an association prints and distributes coupons or invoices it will need sufficient time to perform these functions. It is also important to remember that condominium and cooperative associations are required to adopt the annual budget at least 14 days before the start of the association's fiscal year.

The amount of time needed to prepare a budget depends on its complexity, the workload of the manager, and the involvement of directors, officers, committees, and others. For many associations, it is common to begin the process four or five months prior to the date of the budget meeting. Ultimately, each association must make its own determination when to begin the process.

## Budget Development

Consideration of the primary goals and objectives of the community association are key to budget development. They should be described in terms of actions that need to be accomplished. For example:

To preserve, protect and enhance the value of the community and its assets, the objectives to consider may be issues, such as:

- Annual HVAC (heating, ventilation and air conditioning) inspection or maintenance
- Adequate insurance coverage

With the objective of enhancing the lifestyle of the community, considerations similar to these may be warranted:

- Renegotiating the cable and internet bulk contracts
- Replacing lobby furniture

Related to providing to the extent possible a harmonious community, objects may include:

- The annual budget fairly considers the income and expenses of the association.
- Proper notice of meeting to consider the budget

## Part 1 Summary



*There is neither statute, rule, regulation, nor document that states, "Keep assessments low." An association that focuses on maintaining unreasonably low assessments may be neglecting its property and, at some point, may face special assessments to repair and replace components that may have been accomplished through better budgeting. A board that does not properly maintain the property of the association is not fulfilling its fiduciary responsibility. When sufficient funds are expended to accomplish the association's budgetary objectives, it results in compliance with Florida statutes and maintains the property so that it stays comparable to its condition when transferred by the developer.*

## PART 2: THE OPERATING SECTION OF A BUDGET

Condominium, cooperative, timeshare, and homeowners' association budgets have two major sections, operating and reserves.

The **operating section** typically identifies routine, regularly occurring income and expenses of the association. It effectively functions as the association's annual financial plan.

The **reserve section** appears on the budget as a single account or line item that shows the cost of funding the reserves for the next fiscal year. It is based on a schedule attached to the budget that estimates expenses for capital expenditures and deferred maintenance over a multi-year, long-term period. The reserve section functions as the long-term financial plan for the association.

We'll discuss the operating section first.

The operating section of a budget reports and reflects the income and expense items that occur at least annually and are associated with day-to-day operations of the association.

### Required Documentation

To estimate revenue and expenses accurately and properly develop the operating section, the following documentation is required:

- Current year's most recent financial reports including the income and expense statement and balance sheets
- End of year financial reports for the past three years
- Invoices for the past 12 months
- Aged balance reports for the past 12 months
- All current contracts and retainer agreements
- Contract summary chart (see the example on the next page)
- All current insurance policies
- Insurance policies summary chart (see the example on the next page)
- Most recent property appraisal
- Manager's reports for the past 12 months
- Most recent legal status report
- Records of equipment maintenance
- Minutes and any resolution of board related planned capital projects, other budget related issues
- Warranties

## Example Contract Summary Chart

Acct. #	Description	Company	Monthly Amount	Frequency	Annual Total (CY)	Termination Date	Termination Notice	Comments
7025	Trash Removal	Oscar Trash Pick-up	\$2,250	Monthly	\$27,000	12/31/CY	90 Days	
7035	Cable/Internet	Com-Net	\$11,042	Monthly	\$132,000	12/31/20XX	90 Days	Annual 5% Increase
7040	Generator	Reliable Generator	\$250	Quarterly	\$1,000	N/A	20 Days	
7070	Landscape Services	Lanny's Cuts	\$3,842	Monthly	\$46,100	12/31/CY		
7090	Pest Control	Florida Xeriscape	\$667	Monthly	\$8,000	6/30/XX		
7130	Pool/Spa/Fountain	I.M Underwater Pool Service	\$833	Monthly	\$10,000	12/31/XX		
7355	Tree Trimming	Topper's Tree Service	\$7,000	Monthly	\$7,000	N/A		

CY = Current Year

## Example Insurance Policy Summary Chart

Acct. #	Type	Company	Premium (CY)	Period	Deductible	Replacement Value/Coverage	Termination Notice	Comments
7055	Multiperil	Citizens	\$300,000	Annual	\$100,000	\$50,000,000	12/31/CY	Agent estimate 10% increase
	Wind				5% of Replacement Value			100% coinsurance
7556	Flood	FEMA	\$11,000	Annual	\$100,000	\$54,250,000	12/31/CY	FEMA formula of \$250,000 per unit. 100% coinsurance
7557	General Liability	Relectant Pay Ins. Co.	\$15,800	Annual	N/A	\$1M/\$100,000 per Incident	12/31/CY	
7558	D&O	Regretful Ins. Co.	\$4,000	Annual	N/A	\$1M/\$100,000 per Incident		
7558	Umbrella	Stormy Weather Ins. Co.	\$7,500	Annual	N/A	\$5M per Incident	12/31/CY	
7560	Fidelity Bond	Not Guilty Ins. Co.	\$2,500	Annual	N/A	\$1,000,000	12/31/CY	
7560	Plate Glass	Broken Dreams Ins. Co.	\$9,500	Annual	5% of Damage	N/A	12/31/CY	
<b>Total:</b>			<b>\$350,300</b>					

## Organize the Operating Section

The operating section of the budget is divided into two major sections, revenue (or income) and expenses. The operating budget identifies the categories of revenue and expenses (referred to as line items or accounts in a chart of accounts) for the routine, day-to-day activities of the association. Expenses are anticipated to occur on a regular basis, daily, weekly, monthly, quarterly, and annually.

### Income Section

This section includes income from assessments, as well as other non-assessment income, such as:

- Screening fees (new owners/tenants)
- Vending or Laundry machine income
- Late fees
- Estoppel fees
- Returned check fees (NSF)
- Clubhouse rental
- Interest income
- Miscellaneous fees

### Expense Section

Expenses are divided into major categories, such as:

- Administration
- Contracts
- Insurance
- Repairs and maintenance
- Salaries and benefits (if applicable)
- Utilities

Sometimes an association decides to include a one-time expense, such as an expensive piece of equipment, in the annual budget. It may list the item, and other such planned purchases, under a section titled *capital expenses*, to differentiate them from the regularly recurring expenses typically referred to as ordinary expenses.

### Account Creation

There are no hard and fast rules here. For example, an association may choose to include a contracts section because it allows management to easily identify certain fixed costs. Alternatively, it may choose to simply include the cost of a contract, such as landscaping, with other non-contractual and variable landscaping related costs such as plant or flower replacement, pest control, and tree trimming, under a landscaping account.

### Selection and Organization of Accounts

In addition to the accounts identified earlier associations may create and use other budget accounts. They can also create sub-accounts to provide more specific information about certain expenditures or revenue categories.



*Management may recommend to the board to create sub-accounts, such as lawn maintenance, pest control, tree trimming and plant replacement, under the landscaping account. Why? This type of organization generally provides easily identifiable cost information regarding all landscape-related services. Better control and understanding of services/items that don't necessarily fall under the contract.*

The budget must show the beginning and end dates of the fiscal year (the budget period). The budget will include the association's name and specify the assessment amount that is to be paid by each member. For condominium and cooperative associations, the proposed budget must include the amount budgeted for the current budget year and for the proposed budget year.

### Special Accounts

Special accounts that are frequently encountered include:

- **Limited common elements:** If the association maintains certain limited common elements (LCE) at the expense of only those members who are entitled to use those limited common elements, then the budget must include a separate schedule for revenue and expenses that pertain to those limited common elements.
  - **Example:** A covered parking space or garage.
- **Member expenses:** In a condominium or cooperative, if such expenses for members are required, they are not counted as expenses that are collectible through assessments, generally related to disclosures during developer control of the association and therefore do not appear in the budget.
  - **Example:** Maid service that is available on a pay-as-wanted basis but is not a common expense of the association.
- **Capital contribution:** Refers to monies paid to the association at the time a unit or parcel is conveyed from one member to another. It is usually equal to one to two months of assessments, collected at the time of purchase of a unit/parcel. The documents must specifically allow the collection of capital contributions.
- **Recreational leases:** Rent for commonly used facilities under a recreation lease refers to any facility that the association uses but does not own. It pays rent directly to a lessor or agent of a recreational facility under a recreational lease or lease for use of commonly used facilities. The use and payment are a mandatory condition of association ownership and is not included in the common expenses or assessments for common maintenance paid by members to the association.

- **Example:** A large-scale mixed-use community association (composed of multiple homeowner sub-associations as well as a condominium association) is part of a recreation association that operates recreational facilities serving association members. Members who are also members of the recreation association pay assessments directly to the recreation association therefore this expense is not part of the regular assessment and is included in the budget solely for disclosure purposes.
- **Bulk Services:** These are services common to many community associations, such as television, Internet, and telephone, are provided to the members as part of their common expenses of the association. The association negotiates and enters into this agreement on behalf of the members to obtain a more favorable rate than each member would be able to obtain through an individual contract.



*Important considerations for budget preparation related to bulk services include whether the common expenses are allocated according to a certain percentage stated in the governing documents or an equal per-unit basis. Does the contract include a provision for an annual increase? If so, at what amount, or percentage will that increase be? Have any members opted out of the bulk service because they are either sight or hearing disabled, or are receiving certain public assistance?*

For condominium associations, F.S. 718.111(11) requires a condominium to specify the deductible amount on its property insurance policies, in a motion passed by the board. If the association does not pass such a motion at the time the insurance is renewed, it must do so at the budget meeting.

There are other differences in budgeting for insurance for a condominium association including that if a board proposes a budget in any fiscal year an annual budget which requires assessments against unit owners that exceed 115% preceding fiscal year, the board shall simultaneously propose a substitute budget that does not include any discretionary expenditures that are not required to be in the budget. The substitute budget must be proposed at the budget meeting before the adoption of the annual budget.

However, in determining if the assessments exceed 115%, the calculation must exclude required reserves, deferred maintenance, repair or replacement of these required reserve items, and insurance premiums.

By statute, cooperatives have a similar provision that excludes insurance premiums in calculating if the budget is 115% of the preceding fiscal year. Timeshares also include such a provision. Homeowners' associations do not have such statutory restrictions, it's important to consult the governing documents of the association for any similar restrictions.

## Insurance

Insurance is another essential part of a community association's budgetary obligation. Community associations are required to carry insurance, as required by the applicable community association statute and its governing documents. At a minimum, most associations have at least the following:

- Property insurance
- General liability insurance
- Fidelity bond
  - HOA, fidelity bond: If annually approved by a majority of the voting interests present at a properly called meeting of the association, an association may waive the requirement of obtaining an insurance policy or fidelity bond for all people who control or disburse association funds.
- Workers' compensation insurance
- Directors and officers (D&O) liability insurance

## Part 2 Summary



*Well, we've talked about several of the important aspects of the operating section of the budget. Remember as noted earlier, not all budgets will look the same related to the type of association it is and the elements of a particular community. CAMs have a responsibility to use best practices when preparing or assisting the association in preparing its annual budget. Keep in mind, although mathematics is a large part of a budget, being organized and diligent in chronicling and measuring the association's financial activities is perhaps a CAM's most important task here*

## PART 3: RESERVES

In accounting terms, reserves are portions of a company's profits that are set aside for specific or general purposes. Setting aside money for reserves can help keep an organization such as a community association in a good financial state by providing savings to handle future expenses.

Reserves are defined by the DBPR as, "Any funds, other than operating, that are restricted to deferred maintenance and capital expenditures and any other funds that are restricted to use by the association or its documents."

There are some basic concepts about reserves for community associations, however, there are significant differences in types of reserves and statutory requirements for reserves for condominium, cooperatives, HOAs, and timeshares. In this part of the course, we will take a look at some of the similarities and differences.

The purpose of reserves includes helping the members of the association to avoid special assessments or loans to replace or repair significant physical components of the community association that, over time, are subject to wear, deterioration, or effects from natural or man-made disasters. Providing reserves helps to protect the investments of the members, reduces the cost of maintenance, fulfills a board's fiduciary duty to an association and, in certain circumstances, provides for compliance with various state and local laws.

The uses of reserves are restricted from day-to-day spending. They must designate individual components. These designations vary between HOAs, condominiums, cooperatives, and timeshares.

The reserves must be funded or maintained in a way prescribed by statute and governing documents, or have their funding waived (currently there are limitations related to structural reserves for condominiums and cooperatives). In order to decrease the funding or to waive a reserve item, the membership must vote affirmatively on an annual basis.

Funding methods for reserves include:

- **Straight-line**, also known as restricted, or component method
- **Pooled**, also known as the cash flow method. Pooled reserves generally provide more flexibility

A **reserve schedule** included as an attachment to a reserve budget, provides the following:

- A list of all required deferred maintenance and capital expenditure reserve items
- The estimated useful life of each item
- The estimated remaining useful life of each item

- The estimated cost of deferred maintenance and capital equipment replacement for each item
- The estimated fund balance for each item as of the end of the current fiscal year
- The required funding amount for each budget year for each item.

A **reserve study** is an in-depth evaluation of a property's physical components and an analysis of its reserve funds. A reserve study projects the anticipated replacements or repairs to common-area elements and recommends annual reserve funding to cover capital expenditures and deferred maintenance for each year of a future thirty-year period.

### Reserves Schedules

There are two different types of reserves schedules: straight-line (segregated) and pooled. Referring to the illustration below, using the straight-line method, how much should the association reserve?

The steps for each reserve item:

1. Estimate the useful life less the current age equals the remaining useful life
2. Replacement cost less the year-end balance
3. Divide by the remaining useful life for the amount the association should reserve this year

#### Example: Roof Reserve

1.  $15$  (useful life) -  $5$  (current age) =  $10$  years (remaining useful life)
2.  $\$350,000$  (replacement) -  $\$262,000$  (year-end balance) =  $\$88,000$
3.  $\$88,000 / 10$  years (remaining useful life) =  $\$8,000$  (amount required to reserve for the roof this year)

### Reserves Condominiums and Cooperatives

In 2022, significant changes took place in the statutes governing Florida condominiums and cooperatives. Specifically, it was determined that buildings that are three stories or higher were required to have performed a "milestone" inspection of each of those buildings located on the association property by a Florida licensed architect or engineer. Additionally, it required such condominium and cooperative buildings to have a structural integrity reserve study (SIRS) and mandatory reserves. The milestone inspections were required to be performed by December 31 of the year that the building turns 30 years of age and every 10 years thereafter. The milestone inspections are required, currently, for single-, two-, three-, and four-family dwellings with three or fewer habitable stories.

The purpose of the “milestone” inspection is to attest to:

- The adequacy of the life safety and structural components of the building
- The general structural conditions of the building affect the safety of the building, including determination of any necessary maintenance, repair, or replacement of any structural component of the building to the extent reasonably possible.

The “milestone” inspection is performed in a two-phase method:

**Phase One:** A licensed architect or engineer authorized to practice in Florida shall perform a visual examination of habitable and non-habitable areas of the building, including the major structural components, and provide a qualitative assessment of the structural conditions of the building.

**Phase Two:** If any substantial structural deterioration is identified during the Phase One inspection, a Phase Two inspection must be performed.

Upon completion of a Phase One or Phase Two milestone inspection, the architect or engineer who performed the inspection must submit a sealed copy of the inspection report with a separate summary of, at a minimum, the material findings and recommendations in the inspection report to the condominium or cooperative association, and to the building official of the local government that has jurisdiction.

The “milestone” inspections are a record of the association, and the board must assure that a copy is distributed to all members of the condominium or cooperative association; must post a copy of the report in a conspicuous place on the property; and must publish the full report and summary on the association’s website (if the association has or is required to have a website). The inspection reports must also be available for review or copying by renters.



*Remember as of January 1, 2026, condominium associations with 25 or more units shall post to their website or through a mobile app, digital copies of the documents specified in F.S. 718.111(12)(g) subparagraph 2, which includes, among other documents, the milestone inspection reports and the association’s most recent structural integrity reserve study, if applicable.*

## Structural Integrity Reserve Study

Residential condominium and cooperative associations must have a structural integrity reserve study (SIRS) completed at least every 10 years after the condominium or cooperative’s creation for each building on the association property that is three stories or higher in height, as determined by the Florida Building Code, which includes, at a minimum, a study of the following

items as related to the structural integrity and safety of the building:

- Roof
- Structure, including load-bearing walls and other primary structural members and primary structural systems, as those terms are defined in F.S. 627.706.
- Fireproofing and fire protection systems
- Plumbing
- Electrical systems
- Waterproofing and exterior painting
- Windows and exterior doors
- Any other item that has a deferred maintenance expense or replacement cost that exceeds \$25,000 or the inflation-adjusted amount determined by the division and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g., as determined by the visual inspection portion of the structural integrity reserve study.

A structural integrity reserve study is based on a visual inspection of the condominium or cooperative property.

A structural integrity reserve study including the visual inspection portion of the structural integrity reserve study must be performed or verified by an engineer licensed under F.S. 471, an architect licensed under F.S. 481, or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.

This does not apply to buildings less than three stories in height; single-, two-, three-, and four-family dwellings with three or fewer habitable stories above ground; any portion or component of a building that has not been submitted to the condominium form of ownership; or any portion or component of a building that is maintained by a party other than the association.

Before a developer turns over control of an association to unit owners other than the developer, the developer must have a turnover inspection report in compliance with F.S. 718.301(4)(p) and (q) for each building on the condominium property that is three stories or higher in height.

Associations existing on or before July 1, 2022, that are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by December 31, 2025, for each building on the condominium property that is three stories or higher in height. An association that is required to complete a milestone inspection in accordance with F.S. 553.899 (building construction standards) on or before December 31, 2026, may complete the structural integrity reserve study simultaneously with the milestone inspection. In

no event may the structural integrity reserve study be completed after December 31, 2026.

If the officers or directors of an association willfully and knowingly fail to complete a structural integrity reserve study, it is a breach of an officer's and director's fiduciary relationship to the unit owners under F.S. 718.111(1).

An officer or a director of an association must sign an affidavit acknowledging receipt of the completed structural integrity reserve study.

Within 45 days after receiving the structural integrity reserve study, the association must provide the division with a statement indicating that the study was completed and that the association provided or made it available to each unit owner in accordance with this section. The statement must be provided to the Division (DFCTMH) in the manner established by the Division using a form posted on the division's website.

*NOTE: Significant additions and changes related to reserves, milestone inspections, and the structural integrity reserve study (SIRS) were made effective July 1, 2025, chapter 2025-175. Provisions were also added as they relate to the reserves of a condominium considering termination. These changes will be addressed in the Legal Update portion of this CAM CE Course.*

## Reserves Homeowners' Associations (HOA)

As with reserves in condominium and cooperative associations, reserves for homeowners' associations may be necessary in order to set aside money to help keep the association in a good financial state by providing savings to handle future expenses.

The purpose of reserves for a homeowners' association include:

- Avoids special assessments or loans
- Preserves appearance of a community
- Keeps community safe and viable
- Provides planning and financial guidance of projects
- Protects investment
- Reduces cost of maintenance
- Fulfills a board's fiduciary duty
- Complies with governing documents and statutes

Common reserve components in a homeowners' association may include:

- Roads, curbs, and sidewalks
- Signs and marques
- Streetlights
- Shorelines, seawalls, lakes
- Entry gate systems
- Irrigation systems

- Storm drains
- Weir mechanics
- Perimeter structures like walls and fences
- Recreation facilities including tennis courts, pools, buildings, and roofs

## Statutory Reserves Requirements for HOA Reserves

F.S. 720.303(6) provides that the budget may include reserve accounts for capital expenditures and deferred maintenance that the association is responsible for.

A homeowners' association is considered to have provided for reserve accounts if the declaration of covenants, articles, or bylaws obligate the developer to create reserves or upon the affirmative approval of a majority vote of the total voting interests of the association as follows:

- The approval may be obtained by vote of the members at a duly called meeting of the membership or by the written consent of a majority of the total voting interests of the association.
- The approval action of the membership must state that reserve accounts will be provided for in the budget and must designate the components for which the reserve accounts are to be established.
- Once approved by membership, the board of directors must include the required reserve accounts in the budget in the next fiscal year following the approval and each subsequent year.
- Once established, the reserve accounts must be funded, maintained, or have their funding waived in the manner provided in the governing documents or statutes.
- Once established, upon approval of a majority of the total voting interests, the association may terminate a reserve account and that account will be removed from the budget.
- After one or more reserve accounts are established, annually, the members, by a majority of the membership of the association (at a meeting with a quorum), may vote to **waive** or **reduce** the funding of the reserves.

## HOA Disclosure Statements

If the budget of the homeowners' association does not provide reserve accounts and the association is responsible for the repair and maintenance of capital improvements that may result in a special assessment if reserves are not provided or not fully funded, each financial report for the previous fiscal year must contain a disclosure statement in conspicuous type:

THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS REGARDING THOSE ITEMS. OWNERS MAY ELECT TO PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS UNDER F.S. 720.303(6), UPON OBTAINING THE APPROVAL OF A MAJORITY OF THE TOTAL VOTING INTERESTS OF THE ASSOCIATION BY VOTE OF THE MEMBERS AT A MEETING OR BY WRITTEN CONSENT.

If the budget of the association does provide for funding accounts for deferred expenditures, including, but not limited to, funds for capital expenditures and deferred maintenance, but such accounts are not created or established as a reserve account, each financial report for the previous fiscal year must also contain a disclosure statement in conspicuous type:

THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS UNDER SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

The amount to be reserved in any account established shall be computed by means of a formula that is based on estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The association may adjust replacement reserve assessments annually to consider any changes in estimates of cost or useful life of a reserve item.

Funding formulas for reserves must be based on an analysis of each of the required assets or a pooled analysis of two or more of the required assets. The formula may be adjusted each year for changes in estimates and deferred maintenance performed during the year and may include factors such as inflation and earnings on invested funds. The reserve funding formula may not include any type of balloon payments.

Reserve funds and any interest accruing thereon must remain in the reserve account or accounts and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote at a meeting at which a quorum of the members is present.

While a developer is in control of a homeowners' association, the developer may, but is not required to, include reserves in the budget, unless required by the declaration, articles or bylaws. If the developer includes reserves in the budget, the developer may determine the reserves included.

### **Reserve Study Process**

When a homeowners' association has a reserve study performed, that study will make an analysis of the physical components as well an analysis of the financial components of the association. The analysis will account for the estimated useful life of a reserve component, the estimated remaining useful life, fund balance for the current fiscal year, contributions and expenditures, and will make recommendations based on at least these factors. Remember that HOAs do not have statutorily required reserve components as do condominiums and cooperatives.

### **Reserves Timeshares**

Reserves for deferred maintenance and reserves for capital expenditures, including reserves for deferred maintenance or capital expenditures of accommodations and facilities of a real property timeshare plan, if any.

All reserves for any accommodations and facilities of real property timeshare plans located in this state shall be calculated using a formula based upon estimated life and replacement cost of each reserve item that will provide funds equal to the total estimated deferred maintenance expense or total estimated life and replacement cost for an asset or group of assets over the remaining useful life of the asset or group of assets.

Funding formulas for reserves shall be based on either a separate analysis of each of the required assets using the straight-line accounting method or a pooled analysis of two or more of the required assets using the pooling accounting method.

Reserves for deferred maintenance for such accommodation and facilities shall include accounts for:

- Roof replacement
- Building painting
- Pavement resurfacing
- Replacement of timeshare unit furnishings and equipment
- Any other component, the useful life of which is less

than the useful life of the overall structure

For any accommodations and facilities of real property *timeshare plans located outside of this state*, the developer must disclose the amount of reserves for deferred maintenance or capital expenditures required by the law of the situs state, if applicable, and maintained for such accommodations and facilities.

If reserves for deferred maintenance or capital expenditures of accommodations and facilities of a personal property timeshare plan are maintained, the estimated operating budget must disclose the methodology by which the reserves are calculated.

If a personal property timeshare plan does not require reserves, the following statement, in conspicuous type, shall appear in both the budget and the public offering statement:

THE ESTIMATED OPERATING BUDGET FOR THIS PERSONAL PROPERTY TIMESHARE PLAN DOES NOT INCLUDE RESERVES FOR DEFERRED MAINTENANCE OR CAPITAL EXPENDITURES; EACH TIMESHARE INTEREST MAY BE SUBJECT TO SUBSTANTIAL SPECIAL ASSESSMENTS FROM TIME TO TIME BECAUSE NO SUCH RESERVES EXIST.

## Part 3 Summary



Now we've gone over several aspects of the reserves section of the budget. Remember as noted earlier not all budgets will look the same related to the type of association it is, the elements of a particular community. A CAM has a responsibility to use the best practices when preparing or assisting the association in preparing its annual budget. These best practices include assisting the board of directors to deliver and post notice of meetings of the membership if providing the membership with the option of waiving or decreasing the funding of certain reserves; assisting the board in determining the proper approval method whether it be by use of written document such as a limited proxy or by a vote taken at the membership meeting; and the requirement to post such meetings on the association's website or mobile app.

## PART 4: INSURANCE

Insurance is a primary consideration and element of a budget for all types of community associations, therefore in reviewing the elements and parts of a budget we must consider insurance provisions and how it relates to budgets for condominiums, cooperatives, homeowners' associations and timeshare plans.

Over the past several years in Florida, events, such as hurricanes, floods, windstorms, and catastrophic structural events have had an immense impact not only on individual homeowners but also on the community associations. Provisions and requirements have changed significantly for all types of associations and their insurance requirements.

Though the specifics for acquiring and maintaining insurance vary among the different types of community associations, one basic premise exists, *to protect the safety, health, and welfare of its members while protecting the financial health of a community association due to catastrophic perils*. Those perils may be related to damages sustained due to a disastrous storm, flooding, or structural damages; losses of money due to a claim

against the association for an individual's injuries or death; or actions taken against a board or committee or its members.

The cost of an association's insurance policies/premiums are included in the budget as a common expense to members. The procedure for determining the deductible for an insurance policy is determined by the board of directors (unless otherwise provided in the governing documents).

Insurance requirements and statutory provisions vary among the types of community associations. Many of the recent changes are discussed in the Legal Update in this CAM CE course. It's important for directors, CAMs, management firms, and managing entities to consider provisions in the governing documents, in state statute governing community associations, and other sources including federal and local governments. Consultations with entities, such as the agent, association attorney, and accountant are often necessary to understand and stay current on insurance requirements.

## COURSE SUMMARY

For many CAMs who are taking this course, budget preparation has been a primary function for you, others who are new to the industry may still feel some anxiety about having an involvement in the budget process. However, all must be mindful of matters relating to budget preparation, such as the fundamental elements to a budget. The unique requirements determined by statute and governing documents. A CAM must stay organized and understand the information that is important for budget preparation and know how to obtain that information.

Often a CAM is working with the board, board members, or a committee to develop the budget. That CAM should

be prepared to act as a guide to inform them that there may be statutory changes that may have an impact on the way the budget is prepared, reports necessary to be provided with the proposed budget, and/or procedures by which the budget is to be provided, reported, and approved.

Always remember that Licensed CAMs and CAM Firms cannot knowingly perform any act directed by the association if such an act violates any state or federal law.

You'll find a quick 10-question quiz in the front of the book. We hope this course helps you in your continuing CAM career!

## GLOSSARY

### A

**account (line item):** Created and used in a budget to define each class of items for that money or the equivalent is spent or received. It is used in balance sheets, budgets, and other financial reports to organize the finances and to segregate expenditures, revenue, assets, and liabilities to give interested parties a better understanding of the organization's financial health. The chart of accounts lists all such accounts.

**assets:** Any item of economic value owned by an individual or other entity, especially that which can be converted to cash.

### B

**balance sheet:** A statement of a company's financial position at a particular moment in time. It shows the two sides of a company's financial situation, the monetary value of what it owns, and what it owes. What the company owns (assets), are always equal to the combined value of what the company owes (liabilities), and the value of its shareholders' (association member's) equity.

**balanced:** When the amount budgeted for revenue and the amount budgeted for expenses are equal. The annual budget for condominiums, cooperatives, and timeshares should be balanced.

**budget:** An estimate of revenue and expenses for a specific period of time. The association should develop the budget to meet its objectives as they relate to its primary functions of protecting, preserving, and enhancing the property and its assets, the lifestyle of the community, and the harmony of the community.

### C

**capital expenditure:** Any disbursement of funds for the purchase or replacement of an asset, the useful life of which is greater than one year, or for the repair of an asset that will extend its useful life for a period greater than one year.

**common expenses:** The expenses related to the operation, maintenance, repair, replacement, and protection of the common elements and association property, and the costs of carrying out the powers and duties of the association. Community associations are required to budget for all common expenses.

### D

**deferred maintenance:** Any maintenance or repair that is performed less frequently than yearly and results in maintaining the useful life of an asset.

**deficit:** A status of financial health when expenditures exceed revenues.

**due diligence:** Reasonable steps taken by a person to satisfy a legal requirement, especially in buying or selling something.

### E

**expense (expenditure):** An expense, or expenditure is an outflow of money to another person or entity to pay for an item or service.

### F

**fiscal year (FY):** The 12-month period an organization uses for budgeting and financial reporting. It differs from a calendar year; its beginning and end dates may encompass any 12-month period including. The bylaws state the fiscal year of the association. Community associations are required, by statute, to create an annual budget, based on the association's fiscal year.

### I

**income:** In strict accounting terms, income refers to the profit or the money that remains after deducting expenses from revenue. However, community associations typically use the terms income and revenue interchangeably.

### L

**limited common elements (LCE):** Some associations have limited common elements, such as a penthouse swimming pool or a garage, that are restricted to the use of specific members. If the association's governing documents identify those elements as the financial responsibility of those members, the association is required to create a separate proposed budget that estimates revenue and expense for those limited common areas. That budget should identify the additional maintenance assessment for those members and appear as an attachment to the basic budget.

### O

**operating section:** A section of a budget that identifies routine, regularly occurring, expenses of the association. It effectively functions as the association's annual financial plan.

### R

**reserve section:** A section of the budget that appears as a single account or line item that shows the cost of funding the reserves for the next fiscal year. It is based on a schedule, attached to the budget that estimates expenses for capital expenditures and deferred maintenance over a multi-year, long-term period. The reserve section functions as the long-term financial plan of the association.

**revenue:** The amount of money an association receives during a specific period.

# Meetings, Important or a Waste of Time?

## 3 Hours of CE Credits (HR or ELE)

Approval: Correspondence #9633803  
Distance/Online #9633752

Expiration: 10/15/2027  
Expiration: 09/28/2027

### Course Overview

This course examines the requirements, authority, process, and procedures for community associations to conduct meetings. It addresses the perception of the importance of meetings in community associations that often differs between owners and board members. In this course, we will discuss the necessity of meetings as it relates to Florida statutes, meeting requirement differences among condominiums, cooperatives, homeowners' associations, and timeshares. This course intends to review certain statutory requirements and recent changes that licensed CAMs, CAM firms, and

community association leaders must understand. It seeks to outline the importance of a CAMs understanding of meeting purposes and processes and provides suggestions for planning and conducting successful meetings.

The course materials include general information, statutory requirements, the processes, and procedures for conducting a meeting and working as a team to bring it altogether. The course will utilize the aid of a fictional character to help narrate. Any resemblance to actual people or events is purely coincidental.

### Learning Objectives

- Understand the purposes of meetings
- Identify the roles of those who are involved in meetings of community associations
- Understand the roles of managers and management
- Discuss statutory requirements for condominiums, cooperatives, homeowners' associations, and timeshare plans
- Understand the requirements of delivery and posting meeting notices
- Identify the components of an agenda
- Understand meeting procedures
- Relay how the leaders in a community association, the CAM, and a CAM firm should work as a team

## INTRODUCTION

How significant are meetings in a community association? Are they important or a nuisance? Does a CAM have a role in meetings? Questions like these frequently come from members, boards, committees, and yes, even from CAMs.

In this course, we will explore general principles of meetings, statutory guidance and requirements for condominium, cooperative, homeowners' and timeshare associations. Meetings, specific requirements, and purposes are referred to frequently in the Florida Statutes that govern community associations. This infers that meetings are an important event in community associations. It also suggests that meetings could be of great concern to the associations. Through the use of references, such as Florida Statutes, Robert's Rules of Order, storytelling, and suggestions on how a CAM can remain calm even on the verge of a storm that may take place at a meeting. The course will cover in four parts, things a CAM should know and understand.

This course is divided into four parts:

**PART 1:** General information about meetings including the importance to community associations

**PART 2:** Statutory guidance and requirements for condominiums, cooperatives, homeowners' associations, and timeshares

**PART 3:** Procedures for planning and conducting meetings and using Robert's Rules of Order

**PART 4:** Working as a team, professional standards for a CAM, retention policies, and code of conduct for the board of directors

### Introducing Liz



*Hello, I am Liz. I have been a licensed CAM since 2002. My career has included several management opportunities in condominiums, cooperatives, homeowners' associations, conversions, receiverships, and developer-controlled community associations. Some may think that I have seen it all, but the truth is that a CAM can never assume that every day will be the same or that they know it all.*

Not long ago, while Liz was doing her routine walking inspection of the pool and clubhouse areas, she dropped by to say hello to some residents who were having an enthusiastic conversation about the board and management.

Here's how it went.

Amy: Isn't there supposed to be a meeting of some kind next week?

Jim: Yeah, who cares? The board just talks and talks but never does anything.

Joe: It's a board meeting, I think. I guess we can ask Liz, the CAM, she came outside a little while ago, probably to talk on her cell. (smirk) Does she ever really do anything?

Mimi: I heard that the law says homeowners must meet every month and that when there is a meeting it has to be announced!

Jim: WOW! I didn't know that, Mimi. I know the board meets almost every month because it's in the newsletter. As a matter of fact, I saw something about meetings in the newsletter and on the website too.

Amy: Oh that thing! No one ever reads that! All I know is that no one ever tells us when meetings are held or what they do at them.

Joe: Liz is coming this way, let's ask her.

Does dialogue like this sound familiar? Do the residents know or have the opportunity to know what is happening in their association? Is the board or CAM negligent in making sure that meetings are posted? How important are meetings anyway?

In many associations, the lack of information and knowledge about a what's happening in their community exists because of several possibilities:

- The board doesn't recognize its responsibility to bring association information, decisions, and actions to the members.
- The board recognizes its responsibility to meet, but management doesn't work in concert with the board to prepare meaningful detailed agendas, provide necessary documents and materials, post notices, or assist the board with knowledge about how to properly conduct meetings.
- The CAM recognizes their responsibility to work with the board to assist in preparing meaningful detailed agendas, provide necessary documents and materials, post notices, and help the board to properly conduct the meetings, but the board is fragmented and often members don't prepare for the meeting or they expect the CAM to conduct the meeting.

- The CAM understands the types, frequency, and procedures of the meetings determined by the association's governing documents and by statutes, but the board and members don't.

Let's go back to the pool. Liz just finished walking around the pool area and the outside perimeter of the clubhouse after a long holiday weekend. Liz performs this inspection three times each week and additionally when there are special events or holidays.

In an inspection of this type, what sorts of maintenance issues might a CAM, like Liz, discover?

- A pool rules sign is damaged.
- There is a gopher making holes along the sidewalk around the clubhouse that could become a hazard.
- One of the newly planted shrubs is dying.
- There are glass shards beside the hot tub.
- It's time for a new life ring or shepherd's hook.
- Many other things.

Joe: Hi Liz! Are you having a good Monday? Liz, we were just talking and Amy asked if there was a meeting coming up.

Liz: Hello everyone. Beautiful day to be by the pool. Yes, there is a board meeting scheduled for next Tuesday. The board meets every second Tuesday of each month. They usually take a break in July and August, but when a meeting is needed for special purposes, they will schedule it. That is the case next week. As you might remember, the board was seeking bids for a new landscape maintenance provider. They received several bids and will be considering them at the meeting next week. It will be a special meeting of the board for that purpose.

Amy: Then why don't they tell us?

Mimi: Yeah! And I heard that the members must meet every month. Why haven't you informed the board about that new law, Liz?

Joe: Whoa! Slow down folks! I told you the meeting was in the newsletter and on the website!

Liz: Yes, and in addition to that, it will be posted on the bulletin board at the clubhouse entrance that was approved by the board for all association notices to appear. The notice there will be posted at least 48 hours before the board meeting and include a full agenda. Since the meeting is on Tuesday and 48 hours prior is Saturday, I'll post the notice to the bulletin board on Friday before I leave for the day. Mimi, there are some provisions in the Florida statutes that require meetings of the members, but currently, there is no requirement that a members' meeting be held monthly.

Perhaps Mimi confused this with the provision amended into F.S. 718 that in a residential condominium association of more than 10 units, the board of directors must meet at least once each quarter. At least four times each year, the meeting agenda must include an opportunity for members to ask questions of the board. Meetings of the board are usually open to all members to attend, except when it is a closed meeting for purposes, such as discussing legal matters with the association's attorney or discussing personnel issues. Although such meetings may be closed to member attendance, they still must be posted.

About this time, Jim chimed in ...

**Jim:** Blah blah blah! It's like I was saying, the board just talks and talks at those meetings and never does anything. Just forget it. See ya, Liz.

**Liz:** Jim, and everyone, so that you are aware, minutes of all the members' meetings and board meetings are posted on the website. Reading the minutes may give you a better idea of what the board does at their meetings. Additionally, in compliance with the Florida statutes, the website includes posting of all meetings in advance including the agenda and copies of materials that are covered on the agenda at the meeting. Well, I've got to go now. I found a few things on my walking inspection that need attention. Have a great day at the pool! Maybe we'll see you at the meeting next week.

With this conversation in mind, let's review some general information about meetings and community associations.

## PART 1: GENERAL INFORMATION ABOUT MEETINGS

### Importance to Community Associations

In community associations, who requires meetings? Is it the individuals who live or own property, or a body such as a board or committee, a CAM or the management firm?

When reviewing the statutes and codes that govern

and guide Florida community associations, community association managers, and management firms, we find that the term 'meeting' is referred to hundreds of times. That might indicate that meetings are important events in the life of a community association. Statutes that affect community associations directly include:

Business	Florida Statute	Florida Administration Code
Condominiums	F.S. 718	F.A.C. 61B-15 through 25, 45, and 50
Cooperatives	F.S. 719	F.A.C. 61B-75 through 79
Homeowners' Associations	F.S. 720	F.A.C. 61B-80, 81, and 85
Vaction and Timeshare Plans	F.S. 721	F.A.C. 61B-37 through 41
Not for Profit Corporations	F.S. 617	
Community Association Management	F.S. 468 VIII	F.A.C. 61-6, 61E-14, and 61-20

Community associations conduct three types of official meetings that require compliance with state statutes and the form of parliamentary procedure used by the association. The governing documents of an association may call for additional types. The standard types of meetings include:

- **Members' meetings:** For the purposes as dictated by statute or determined by the governing documents, that members must meet for such purpose and that a quorum must be present (in person or by proxy) to have a valid members' meeting.
- **Board meetings:** For purposes as dictated by statute or determined by the governing documents or at such times as the board intends to vote and/or take some action on behalf of the business of the community association. A board may be referred

to as a board of directors, or board of governors or board of administration. A quorum of the board must be present (in person, audio conference or video conference) to have a valid board meeting.

- **Committee meetings:** Purposes of committee meetings are usually determined by the governing documents or by written policies for the community association. An exception to this may include specific guidelines for those committees who have authority to make decisions related to the expenditure of funds, to approve/disapprove of architectural changes to a unit/parcel, and hearings for the purpose of approving or rejecting a fine imposed on a member. Statutes have specifications for how such committees may conduct meetings.

## PART 2: STATUTORY GUIDANCE AND REQUIREMENTS

F.S. 720, Homeowners' Associations, alone refer to "meeting" over 165 times. All three parts of the statute discuss in some form meetings, requirements, purpose, and some procedures. This might provide some

### Meetings - Homeowners' Associations (HOA)

F.S. 720 requires an elected or appointed board member to complete educational curriculum approved by the DBPR. The education requirement includes training related to notice and meeting requirements among other things.

F.S. 720.303(1) cites the HOA powers and duties, including meetings of the board, powers and duties concerning official records, budgets, financial reporting, association funds, and recalls. Also mentioned in this section of the HOA law, are powers and duties related to the HOA taking defense actions in eminent domain or inverse condemnation actions. It requires that before beginning litigation against a party in the name of the HOA that involves amounts in excess of \$100,000, the HOA must obtain the affirmative approval of a majority total voting interests (TVI) at membership meeting that has reached a quorum.

F.S. 720.303(2) specifically refers to board meetings. Here it speaks to the importance of understanding and knowing various restrictions such as:

- A board may communicate by e-mail, but it may not vote on an association matter by email.
- Meetings of the board of directors occur whenever a quorum of the board gathers to conduct association business.
- Board meetings must be open to all members, except those between the board and its attorney when meeting about proposed or pending litigation or for the purpose of discussing personnel matters.
- Board meetings in an HOA must be held in a location that is accessible to a physically disabled person if requested by a physically disabled person who has a right to attend the meeting.
  - These requirements also apply to any committee when there is a final decision regarding the expenditure of association funds and any committee with the power to approve or disapprove architectural decisions.
- The provision that members of the association, aside from the board members, have the right to attend board meetings includes the right to speak on all designated items.

### Proper Board Meeting Notice

For valid meetings of the board of directors, proper notice is required. Proper notice is not limited to posting

insight into how important meetings are to the life of a community association, at least from the eyes of Florida laws.

in advance, rather proper notice involves the inclusion of an agenda that identifies items for the meeting. The notice must be posted conspicuously in the community at least 48 hours in advance of the board meeting. There is an exception in the event of an emergency (that is a true emergency, such that may be called a state of emergency by the president or governor).

If unable to post the notice conspicuously on the HOA property, then the notice must be mailed or delivered to each member at least seven days in advance of the meeting.

In communities of more than 100 members, the HOA bylaws may provide for reasonable alternatives to this posting provision including, but not limited to, posting it on the association's website, closed circuit broadcasting system, mobile apps, and/or email for those members who have consented in writing to receive notice by electronic transmission.

A notice of a board meeting to enact a special assessment or to amend rules regarding parcel use must be noticed 14 days in advance of the meeting. Any assessment to be levied must include a statement on the notice that an assessment, either routine or special in nature, will be considered at the meeting.

If 20% of the TVI petitions the board to address an item of business, the board is required to either take the matter up at their next regular board meeting or at a special meeting of the board, placing the petitioned item on an agenda. In this case, the board is required to hold the meeting no later than 60 days after receipt of the petition and must give all members 14 days' notice.

This section of the HOA statute includes certain provisions of a board meeting that follows an annual meeting of members where the board may consider filing notices to preserve the covenants from extinguishment under the Marketable Record Title Act, (referred to as covenant revitalization). Proper notice to members as well as conspicuous posting apply.

Board members may not vote by proxy or secret ballot, except when the board is electing officers. This also applies to committees when a final decision will be made regarding expending HOA funds or when approving/disapproving architectural decisions.



Remember, as of January 1, 2025, a homeowners' association that has 100 or more parcels must post to its website or make available through an application that can be downloaded on a mobile device, notice of any board meeting, the agenda, and any other document required for the meeting. It must be posted on the website or mobile application no later than the date required for notice.

### The Right to Speak at Meetings

Members have the right to attend all meetings of the board and all membership meetings. The right to attend such meetings includes the right to speak at the meetings. For **membership meetings** the right to speak includes all items open for discussion or included on the agenda. Members and parcel owners have the right to speak for at least three minutes, and the association may adopt written reasonable rules governing the frequency, duration and other manner of their statement.

At **board meetings**, the right to attend includes the right to speak with reference to all designated items. The HOA may adopt written reasonable rules expanding the right of members to speak and governing the frequency, duration, and other manner of member statements. The rules may include a sign-up sheet for members wishing to speak.

### Meeting Minutes

For HOAs, the meeting minutes for all board of directors and members' meetings must be maintained for at least seven years, unless the governing documents require a longer period of time. The minutes of meetings, including board, member, and certain committee meetings, become an official record of the HOA which means that they must be made available for inspection and copying for a parcel owner within 10 business days after the board or its

designee receives a written request from the parcel owner. The minutes of all HOA members' and board meetings must be maintained in written form or in another form that can be converted into written form within a reasonable time. The minutes must include votes and any abstentions for each director present at a board meeting on each matter voted on.

**Abstention:** To abstain means not to vote at all. Whether the member calls "I abstain" or does not vote at all on a matter, it is considered an abstention and must be recorded in the minutes.

## Other Reasons for Meetings in an HOA

### Annual Budget

There are other reasons specified by statute for an HOA to conduct meetings for the membership, board of directors, and for certain committees. These include meetings for the purpose of considering and approving the annual budget. Typically, the annual budget is voted on and approved by the board of directors, unless the governing documents say otherwise.

### Annual Financial Reporting

A meeting for the purpose of raising or lowering the level of annual financial reporting may occur if 20% of the parcel owners petition the board for a financial report higher than required. A members' meeting is required in this case. The meeting shall be held within 30 days of receiving the petition. A majority TVI is required.

If approved by a majority of TVI present at a properly called meeting of the HOA members, they may vote to lower the level, however, the association may not vote to lower the level of report for consecutive fiscal years.

Based on Revenue or Size: Annual Revenues	Type of Year-End Financial Statement
Less than \$150,000 total annual revenues	Cash Report (Report of cash receipts and expenditures)
\$150,000 or more, but less than \$300,000	Compilation (Compiled financial statements)
\$300,000 or more, but less than \$500,000	Review (Reviewed financial statements)
\$500,000 or more	Audit (Audited financial statements)
An association with at least 1,000 parcels (Regardless of revenue)	Audit (Audited financial statements)

NOTE: Condominiums and cooperatives year-end financial statements are based on annual revenue only. Timeshares are required by statute to present an audit as its year-end financial statement.

### Recall of Directors

If HOA members wish to recall one or more board members or the entire board, a petition of the membership is necessary, no meeting is required. However, once a petition is received, the board must call

a meeting of the board within five business days after receipt of the agreement in writing (a petition) or written ballots. The purpose of this board meeting is for the board to certify the written ballots or written agreement of recall.

If the governing documents of an HOA specifically provide, the members may also recall or remove board member(s) by a vote taken at a special members' meeting that may be called by 10% of the TVI. In this case, the board is still required to hold a board meeting to certify the recall(s).

### Compensation for Directors, Officers, and Committee Members

Statute prohibits directors, officers, and committee members from receiving salary or compensation from the HOA for performing their duties as a director, officer, or committee member and may not benefit financially from service to the HOA. However, this does not prohibit certain actions of reimbursement, or payment for unrelated duties and other provisions including:

- Any fee or compensation authorized in advance by a vote of a majority TVI at a members' meeting.
- **Debit cards.** In 2024, a provision was added to the statute regarding the use of a debit card that is in the name of the HOA, by a director, officer, employee, or agent that is not a lawful obligation of the HOA.

*Lawful obligation of the HOA, as defined by statute, means an obligation that has been properly preapproved by the board and is reflected in the meeting minutes.*

### Contracts and Transactions

At a members' meeting, disclose the existence of the contract or other transaction that has been approved by the board.

### Insurance

An HOA may waive the requirement of obtaining an insurance policy or fidelity bond for persons who control or disburse funds of the HOA, by a majority TVI present at a members' meeting.

### Fines and Suspensions

This part covers the provisions, requirements, and prohibitions concerning fining HOA members as well as suspending use and/or voting rights. Regarding imposing fines, the board must provide at least 14 days' written notice, and a member's right to a hearing. Though not specifically referred to as a 'meeting' the requirement for a hearing by a committee of at least three members who are not director, officer, or employee, is that the hearing must be held within 90 days after the issue of the notice. Related to suspensions of use rights or voting, statute requires that the suspension(s) imposed must be approved at a properly noticed board meeting.

### Members Meetings - HOA

#### Voting and Election Procedures and Voting on Amendments

In order for an HOA to hold a valid members' meeting, a quorum is 30% TVI, unless a lower number is provided in the HOA's governing documents.

#### Annual Meetings

The annual meeting is a members' meeting, required by corporate statute as well as the statutes related to community HOAs.

#### Special Meetings

This includes all meetings of the membership that are not the annual meeting. The purpose of the meeting will be reflected in the notice of members meeting.

Notice of the annual meeting in an HOA may be specific to the governing documents (usually the bylaws) but if not, then notice must be mailed, delivered, or electronically transmitted, not less than 14 days prior to the meeting.

#### ANNUAL MEMBERS' MEETING NOTICE EXAMPLE

**The XXXXX Homeowners' Association, Inc.  
Annual Meeting of the Members**

August 14, 20xx at 7:00 PM  
Recreation Center  
700 xxx Lane, Greenacres, FL 33xxx

#### AGENDA

1. Call to order
2. Announcement of quorum
3. Proof of notice of meeting
4. Reading of minutes of prior member meeting(s)
5. President's annual report to members
6. Election of new directors
7. Adjournment

#### SPECIAL MEMBERS' MEETING NOTICE EXAMPLE

**The XXXXX Homeowners' Association, Inc.  
Members' Meeting to Vote on  
Proposed Amendment to the Bylaws**

October 25, 20xx at 7:00 PM  
Recreation Center  
700 xxx Lane, Greenacres, FL 33xxx

#### AGENDA

1. Call to order
2. Announcement of quorum
3. Proof of notice of meeting
4. Reading of minutes of prior member meeting(s)
5. Proposed amendment to the Bylaws
  - A. Brief discussion
  - B. Collection and tally of votes
  - C. Secretary announces outcome
6. Adjournment

The notice for a special meeting of the members in an HOA may have specific requirements in the governing documents, but if not, then the notice must be mailed, delivered, or electronically transmitted, no less than 14 days prior to the meeting.

On the previous page, is an example of an annual members' meeting notice and a special members' meeting notice. See that the annual meeting notice specifies "Annual Meeting" and the special meeting notice specifies the purpose of the meeting.

The HOA may, by reasonable rules, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the HOA. When broadcasting, the notice and agenda must be broadcast in such a manner and for a sufficient continuous length of time to allow an average reader to see the notice and comprehend the entire content of the notice.

In each notice, an agenda of matters to be taken up at the meeting is included. Proof of proper notice of delivery is required to be kept with the association records.

### **Voting by Proxy**

The statute for HOAs determines that members may vote by proxy, except that a board member may not vote by proxy or secret ballot at a board meeting, except to vote on officers. Otherwise, the members have the right, unless otherwise provided in the governing documents, to vote in person or by proxy.

A valid proxy must be dated, must state the date, time, and place of the meeting, and must be signed by the authorized person who executed the proxy. A proxy is effective only for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires 90 days after the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy form expressly provides, any proxy holder may appoint, in writing, a substitute to act in their place.

### **Elections and Board Vacancies**

The election of directors takes place at a membership meeting. Officers are elected at a board meeting. Board vacancies can be taken up at a board meeting, and the board will fill vacancies by appointing individuals.

### **Guarantee of Common Expenses**

F.S. 720.308 (2) (a) Establishment of a guarantee of common expenses requires that if a guarantee is not included in the sales contract or the declaration a

guarantee may be established at a members' meeting and is only effective with the approval of a majority TVI (total voting interest) other than the developer. The approval may also be attained by written agreement with a meeting, if provided by the bylaws.

### **Bulk Services**

If the HOA provides bulk communications services, the cost for the services is deemed to be an operating expense of the HOA and is a common expense to the members. If the allocation of the common expenses is allocated on a percentage basis, the members may change the allocation to a per parcel basis (equally divided among members) by a majority TVI (total voting interest) at a regular or a special membership meeting. Additionally, any contract entered into by the board may be canceled by a majority of the members present at a regular or special membership meeting.

### **Special Assessments**

F.S. 720.315 provides information about enacting a special assessment. Before turnover from the developer, the board is controlled by the developer. In this case, statute does not permit the developer to levy a special assessment unless a majority of the parcel owners (other than the developer) approves the special assessment. This would occur at a special members' meeting where a quorum is present.

Subsequent to turnover from the developer, an assessment may not be levied at a board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments. At any meeting where a special assessment will be considered, notice of the meeting must be mailed, delivered, or electronically transmitted to the members/parcel owners, and posted conspicuously on the property or broadcast on closed-circuit cable television not less than 14 days before the meeting.

### **Emergency Powers**



*Remember that during times of an emergency, meetings may be cancelled. To be clear, an emergency for this reason, would be a disaster, natural, technological, or civil emergency, which causes damage of sufficient severity and magnitude to result in a declaration of a state of emergency by a county, the Governor, or the president of the United States. All CAMs and community association leaders should know that the Florida statute governing HOAs describes several provisions in the case of such an emergency under F.S. 720.316, Association emergency powers.*

There are certain emergency powers granted to an association. Emergency and disaster are defined in F.S. 252.34 (Emergency Management, Definitions). Powers granted in such situations include the authority of the board of directors in response to damage or injury caused by an emergency or where a state of emergency is declared in several capacities including, but not limited to:

- Conduct board, committee, membership meetings or elections, in whole or in part by telephone, real-time videoconferencing or similar real-time electronic or video communication, after the board's decision is provided in as practicable a manner as possible.
- Cancel and reschedule an association meeting.
- Power is given to the board to levy special assessments with a vote of the owners in such circumstances. As noted earlier, special assessments are normally levied by the board at a board meeting for which advance notice is given to members.

## Meetings - Timeshares

Timeshares and vacation plans are community associations governed by F.S. 721. A timeshare plan may also be a condominium or a cooperative, and, in that case, must comply with certain provisions of both chapters 721 and 718 or 721 and 719 (whichever applies).

Meetings are a relevant part of timeshare ownership and management. Once established, a timeshare owners' association must comply with requirements such as the annual meeting, elections, and budget approval. The board of administration of a timeshare is required to meet only once each year, unless additional board meetings are called pursuant to a timeshare instrument.

### Termination of a Timeshare Plan

Other reasons for meetings of timeshare plans may include termination or extension of the timeshare plan. Unless the timeshare instrument provides otherwise, the vote or written consent, or both, of 60% TVI in a timeshare plan may terminate the timeshare plan at any time. This only applies to a timeshare plan that has been in existence for at least 25 years as of the effective date of the vote or consent to terminate.

### Extension of a Timeshare Plan

Many of the older timeshare properties located in this state are based on a condominium structure, and many of these older timeshare properties are approaching the termination dates.

Unless the timeshare instrument specifically provides a lower percentage, the vote or written consent, or both, of at least 66% of all eligible voting interests present in person or by proxy at a duly noticed, called, and

## Electronic Voting

This is a system of membership voting that has grown in popularity in many community associations. The statute expresses all the requirements and processes that is involved in using electronic voting. An association may conduct elections as well as other membership votes through an internet-based online voting system, if a member consents, electronically or in writing, to online voting.

A member voting electronically is counted as attending the members meeting for the purpose of determining a quorum. The first step to using electronic voting is a board resolution. The creation of a board resolution requires that the board provides written notice of the board meeting where the board resolution will be considered. The notice must be provided at least 14 days before the meeting and must be posted conspicuously on the association property for the entire 14-day period.

constituted meeting of the owners' association may, at any time, extend the term of the timeshare plan. If the term of a timeshare plan is extended pursuant to this section, all rights, privileges, duties, and obligations created under applicable law or the timeshare instrument continue in full force to the same extent as if the extended termination date of the timeshare plan were the original termination date of the timeshare plan. The owners' association meeting may be held at any time before the termination of the timeshare plan.

### Reserves

For any timeshare plan that has an owners' association, the reserves may be waived or reduced by a majority vote of those voting interests that are present, in person or by proxy, at a duly called meeting of the owners' association. If a meeting of the purchasers has been called to determine whether to waive or reduce the funding of reserves and no such result is achieved or a quorum is not attained, the reserves as included in the budget shall go into effect.

### Elections

Fifteen percent of the TVI is required to attend (in person or by proxy) a meeting of the members to elect the board of administration.

The managing entity may bring judicial action in its name to foreclose a lien and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien. As an alternative to initiating a judicial action, the managing entity may initiate a trustee procedure to foreclose an assessment lien.

Before initiating the trustee foreclosure procedure against any timeshare interest in a given timeshare plan, if a timeshare instrument contains any provision specifically prohibiting the use of the trustee foreclosure procedure, or if the managing entity otherwise determines that the timeshare instrument should be amended to specifically provide for the use of the trustee foreclosure procedure, an amendment to the timeshare instrument permitting the use of the trustee foreclosure procedure set forth in this section must be adopted and recorded prior to the use of the trustee foreclosure procedure.

Such an amendment to the timeshare instrument shall

## Meetings - Condominium and Cooperative Associations

F.S. 718 requires that each newly elected or appointed board member certify in writing to the secretary of the association that they have read the association's declaration of condominium, articles of incorporation, bylaws, and current written policies; that they will work to uphold such documents and policies to the best of their ability; and that they will faithfully discharge their fiduciary responsibility to the association's members.

Additionally, newly elected or appointed board members must submit a certificate of having satisfactorily completed the educational curriculum administered by the division or a division-approved condominium education provider. The educational curriculum must be at least four hours long and include instruction on:

- Milestone inspections
- Structural integrity reserve studies
- Elections
- Recordkeeping
- Financial literacy and transparency
- Imposing fines
- Notice and meeting requirements

According to F.S. 719, in a cooperative association, each newly elected or appointed board member must certify in writing that they have read the association's proprietary lease, articles of incorporation, bylaws, and policies. However, unlike condominiums and HOA boards, a cooperative board member is not required by statute to complete an educational curriculum. A newly elected or appointed cooperative board member may, in lieu certifying in writing, complete a division approved curriculum within 90 days of being elected or appointed to the board, or within one year **before** being elected or appointed to the board.

Condominium and cooperative associations are corporate entities. Since January 1, 1977, Florida required that operation of the condominium be by the association, which must be a Florida corporation for profit or a

contain a statement in substantially the following form and may be adopted by a majority of those present and voting at a duly called meeting of the owners' association at which at least 15% of the voting interests are present in person or by proxy.

**Managing entity:** *The person who operates or maintains the timeshare plan.*

**Owners' association:** *An association made up of all owners of timeshare interests in a timeshare plan, including developers and purchasers.*

**Purchaser:** *Any person, other than the developer, who by means of a voluntary transfer acquires a legal or equitable interest in a timeshare plan.*

Florida corporation not for profit. The powers and duties of a cooperative association include those set forth in F.S. 719 and, except as expressly limited or restricted in F.S. 719, those set forth in the articles of incorporation and bylaws and part I of F.S. 607 and 617, as applicable. A unit owner/shareholder does not have the right to act on behalf of the association simply because they are a unit owner/shareholder.

As defined in F.S. 617, a board of directors is the group of persons vested with the management of the affairs of the corporation irrespective of the name by which such group is designated, including, but not limited to, managers or trustees.

An officer, director, or agent shall discharge their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner they reasonably believe to be in the interests of the association.

**Member:** *One having membership rights in a corporation in accordance with the provisions of its articles of incorporation or bylaws or the provisions of F.S. 617, not-for-profit corporations.*

**Total voting power:** *The total number of votes entitled to be cast for the election of directors at the time the determination of voting power is made, voting power shall, unless otherwise provided in the articles of incorporation or bylaws, be on a one-member, one-vote basis.*

## Proper Board Meeting Notice

For valid meetings of the board of directors, proper notice is required. Proper notice is not limited to posting in advance, rather proper notice involves the inclusion of an agenda that identifies the items for the meeting. The notice must be posted conspicuously in the community at least 48 hours in advance of the board meeting. There is an exception in the event of an emergency (that is a true emergency, such that may be called a state of emergency by the president or governor).



*Remember, as of January 1, 2026, condominium associations of 25 or more units must have a website and may post the same information that can be downloaded on a mobile device, notice of any board meeting, the agenda, and any other document required for the meeting. It must be posted on the website or mobile application no later than the date required for notice.*

The notices must be posted in plain view on the front page of the website or application, or on a separate subpage of the website or application labeled “Notices” that is conspicuously visible and linked from the front page.

Currently there is no requirement for cooperative associations to have a website, though many do. If they do, then the following applies to posting notices. Meetings of the board, the association may, by rule, adopt a procedure for conspicuously posting the meeting notice and the agenda on a website serving the cooperative association for at least the minimum period of time for which a notice of a meeting is also required to be physically posted on the cooperative property (typically 48 hours unless the documents provide for a longer period of time).

Any rule adopted shall, in addition to other matters, include a requirement that the cooperative association send an electronic notice in the same manner as a notice for a meeting of the members that must include a hyperlink to the website where the notice is posted, to unit owners whose email addresses are included in the association’s official records. Meetings of a committee to take final action on behalf of the board or to make recommendations to the board regarding the association budget are subject to the same provisions.

Condominium and cooperative directors may not vote by proxy or by secret ballot at board meetings, except that officers may be elected by secret ballot. A vote or abstention for each member present shall be recorded in the minutes.

### **The Right to Speak at Meetings**

For a condominium association, the right to attend meetings includes the right to speak with reference to all designated agenda items and the right to ask questions relating to reports on the status of construction or repair projects, the status of revenues and expenditures during the current fiscal year, and other issues affecting the condominium. The association may adopt written reasonable rules governing the frequency, duration, and manner of unit owner statements.

Board of directors’ meetings in a residential condominium association of more than 10 units, the board of administration shall meet at least once each quarter. At least four times each year, the meeting agenda must include an opportunity for members to ask the board questions.

For cooperative associations, the right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The association may adopt reasonable written rules governing the frequency, duration, and manner of unit owner statements.

### **Unit Owner’s Right to Record a Board Meeting**

DBPR, published 8/14/2012 and updated 2/2/2017

Condominium unit owners have the right to tape record or videotape board meetings subject to the following restrictions:

1. the only audio and video equipment and devices which unit owners may use is equipment which does not produce distracting sound or light emissions.
2. if adopted in advance by the board or unit owners as a written rule,
  - a. audio and video equipment must be set up before the meeting starts,
  - b. anyone videotaping or recording a meeting cannot move about the meeting room, and
  - c. unit owners must give advance notice to the board if they intend to videotape or tape record a meeting.

Cooperative unit owners have the right to tape record or videotape board meetings subject to restrictions (2)(a) and (b) listed above.

The division shall adopt reasonable rules governing the tape recording and videotaping of the meeting.

### **Meeting Minutes**

In both condominium and cooperative associations, from the inception of the association, one of the several official records of the association that must be maintained includes a book or books that contain the minutes of all meetings of the association, the board of administration (directors), and of the unit owners. This also applies to any committee of the association that is required to act in the same way that a board must act related to conducting meetings.

The minutes of board, member, and certain committees must be kept in a written form or in a form that is able of being converted into a written format within a reasonable period.

The actions taken to vote on any matter of the association must be recorded in the minutes of that meeting. This includes an abstention.

**Abstention Condominium:** A director of the association who is present at a meeting of its board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless they vote against such action or abstain from voting. A director of the association who abstains from voting on any action taken on any corporate matter shall be presumed to have taken no position with regard to the action.

**Abstention Cooperative:** A director of the association who is present at a meeting of its board at which action on any corporate matter is taken is presumed to have assented to the action taken unless the director votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest.

## Other Reasons for Meetings in Condominium and Cooperative Associations

### Annual Budget

There are other reasons specified by statute for condominium and cooperative associations to conduct meetings for the membership, board of directors, and certain committees. These include meetings for the purpose of considering and approving the annual budget. Typically, the annual budget is voted on and approved by the board of directors, unless the governing documents say otherwise.

Legislative changes to certain provisions of presenting a proposed budget in a condominium association became effective in 2025 and include the following:

- **Video conference:** If a condominium association holds its annual meeting via video conference, a quorum of the board must be physically present at a

physical location stated in the bylaws or within fifteen miles of the condominium property or within the same county as the condominium property.

- **Open to all unit owners:** A meeting of the board or unit owners at which a proposed annual association budget will be considered may be conducted by video conference. The division shall adopt rules governing the requirements for such meetings. A sound transmitting device must be used so that the conversation of such members may be heard by the board or committee members attending in person, as well as any unit owners present at the meeting.
- **Substitute budget:** If a condominium board proposes in any fiscal year an annual budget which requires assessments against unit owners which exceed 115% of assessments for the preceding fiscal year, the board shall simultaneously propose a substitute budget that does not include any discretionary expenditures that are not required to be in the budget. The substitute budget must be proposed at the budget meeting before the adoption of the annual budget.
- **Budget adoption:** At least 14 days before such budget meeting in which a substitute budget will be proposed A substitute budget is adopted if approved by a majority of all voting interests unless the bylaws require adoption by a greater percentage of voting interests. If a substitute budget is not adopted, the annual budget previously initially proposed by the board may be adopted.

*The full content of the Legislative changes made affecting budgets and reserves will be covered in the Legal Update portion of continuing education courses being presented.*

Based on Revenue or Size: Annual Revenues	Type of Year-End Financial Statement
Less than \$150,000 total annual revenues	Cash Report (Report of cash receipts and expenditures)
\$150,000 or more, but less than \$300,000	Compilation (Compiled financial statements)
\$300,000 or more, but less than \$500,000	Review (Reviewed financial statements)
\$500,000 or more	Audit (Audited financial statements)

NOTE: Condominiums and Cooperatives year-end financial statements are based on annual revenue only. Timeshares are required by statute to present an audit as its year-end financial statements.

### Annual Financial Reporting

For both condominium and cooperative associations the financial statements must be based on the association's total annual revenues, as shown above.

**Change the level of financial statement required - condominium:** A condominium association may prepare a higher level of financial statement without a meeting or approval of unit owners. The association may prepare a lower level of financial statement if the approved by a majority TVI present at a properly noticed meeting of the members. The meeting and approval must occur before the end of the fiscal year and is effective only for the fiscal

year in which the vote is taken. An association may not prepare a financial report pursuant to this paragraph for consecutive fiscal years.

**Change the level of financial statement required - cooperative:** A cooperative association If at least 20% of the unit owners petition the board for a greater level of financial reporting than that required, the association must notice and hold a membership meeting within 30 days after receipt of the petition to vote on raising the level of reporting for that fiscal year. The association may prepare a lower level of financial statement if the approved by a majority TVI present at a properly noticed meeting of the members.

## Recall of Board Members

Subject to F.S. 718.301 (condominiums), and F.S. 719.301 (cooperatives) any member of the board of administration (directors) may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interests.

A special meeting of the unit owners to recall a member or members of the board may be called by 10% of the voting interests giving notice of the meeting as required for a meeting of unit owners, and the notice will state the purpose of the meeting.

If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective. The board will notice and hold a board meeting within five full business days after the adjournment of the unit owner meeting to recall one or more board members. The member or members will be recalled effective immediately upon conclusion of the board meeting, provided that the recall is valid, and for a cooperative providing the board certifies the recall the members or members recalled is effective immediately.

*NOTE: Electronic transmission may not be used as a method of giving notice of a meeting called in whole or in part for this purpose.*

## Compensation for Directors, Officers, and Committee Members

Unless otherwise provided in the bylaws, the officers shall serve without compensation and at the pleasure of the board of administration. Unless otherwise provided in the bylaws, the members of the board shall serve without compensation.

However, this does not prohibit certain actions of reimbursement, or payment for unrelated duties and other provisions including:

An association and its officers, directors, employees, and agents may not use a debit card issued in the name of the association, or billed directly to the association, for the payment of any association expense.

- **Debit cards:** A person who uses a debit card issued in the name of the association, or billed directly to the association, for any expense that is not a lawful obligation of the association commits theft and must be removed from office and a vacancy declared.
- The notice for the meeting at which the proposed activity will be considered by the board must include a description of the proposed activity, disclose the possible conflict of interest, and include a copy of all contracts and transactional documents related to the

proposed activity. The disclosures of a possible conflict of interest must be entered into the written minutes of the meeting.

*A lawful obligation of the association means an obligation that has been properly preapproved by the board and is reflected in the meeting minutes or the written budget.*

## Contracts and Transactions

Directors and officers of an association board (that is not a timeshare) and their relatives, must disclose to the board any activity that may reasonably be construed to be a conflict of interest. If such person proposes to engage in an activity that is a conflict of interest, the proposed activity must be listed, and all contracts and transactional documents related to the proposed activity must be attached to the meeting agenda.

The disclosures will be entered into the meeting minutes. Approval of the contract or transaction requires an affirmative vote of two-thirds of all directors present.

*At the next regular or special members meeting, the contract or transaction must be disclosed to the members. If a motion is made by any member, the contract or transaction will be brought up for a vote and may be canceled by a majority vote of the members present.*

## Insurance

When determining the adequate amount of property insurance coverage, the association may consider deductibles. Policies may include deductibles as determined by the board. The board shall establish the amount of deductibles based on the level of available funds and predetermined assessment authority at a meeting of the board.

## Fines and Suspensions

Similar to HOAs, this part covers the provisions, requirements and prohibitions concerning fining association members as well as suspending use and/or voting rights. Related to fining, the board must provide at least 14 days' written notice, and a member's right to a hearing. Though not specifically referred to as a "meeting" the requirement for a hearing by a committee of at least three members who are not a director, officer, or employee. Unlike HOAs, there is no provision as to when the hearing by a fine or hearing committee must be held. Related to suspensions of use rights or voting, statute requires that the suspension(s) imposed must be approved at a properly noticed board meeting.

## Members Meetings - Condominium and Cooperative Associations

### Voting and Election Procedures and Voting on Amendments

For condominium and cooperative associations, a quorum of membership is required for a valid members' meeting. A quorum for condominium and cooperative is a majority TVI, unless otherwise stated in the governing documents. There is a quorum exception related to election of directors, however, the election is held at the member's annual meeting.

### Annual Meeting

Corporations are required to call an annual meeting. As such, condominium, cooperative and homeowners' associations F.S. 617, Corporations Not-for-Profit applies in part to associations defined and regulated by F.S. 718, 719, 720, 721, and 723. Failure to hold an annual meeting does not cause a forfeiture or is it cause for dissolution of the corporation, nor does such failure affect otherwise valid corporate acts. Specific to condominium (F.S. 718) and cooperative (F.S. 719) associations, are the following important information concerning the meetings and notice.

The annual meeting of the members/shareholders of a cooperative association will include such things as reviewing the business affairs of the association with the members, election of directors, and may consider the proposed budget, or other issues that require a vote of the membership.

The required notice must incorporate an identification of agenda items, be given to each unit owner at least 14 days before the annual meeting, and be posted in a conspicuous place on the cooperative property at least 14 continuous days in advance of the annual meeting.

The regular election must occur on the date of the annual meeting (this does not apply to timeshare cooperatives).

An annual meeting for condominium unit owners must be held at the location provided in the association bylaws and, if the bylaws are silent as to the location, the meeting must be held within 15 miles of the condominium property or within the same county as the condominium property. An annual meeting for a cooperative association must be held at a location stated in the documents (usually bylaws), or if not stated in the documents, at a location convenient for the members.

Legislation added certain provisions for annual meetings of condominium associations relating to video conferencing. F.S. 718.112(d) provides that if a condominium association holds its annual meeting via video conference, a quorum of the board must be physically present at a physical location stated in the bylaws or within 15 miles of or within the same county as the condominium property.

### Special Meetings

This includes all meetings of the membership that are not the annual meeting. The purpose of the meeting will be reflected in the notice of members meeting.

Notice for a special meeting of the members must be mailed delivered, or electronically transmitted, no less than 14 days prior to the meeting.

Earlier in this course, an example of a notice for an annual meeting and a notice for a special meeting of the members was provided. Notice that the annual meeting notice specifies "Annual Meeting" and that the special meeting notice specifies the purpose of the meeting. In each notice, an agenda of matters to be taken up at the meeting is included and proof of proper notice of delivery is required to be kept with the association records.

In a condominium association, if 20% of the voting interests petition the board of a condominium association to address an item of business, the board, within 60 days after receipt of the petition, shall place the item on the agenda at its next regular board meeting or at a special meeting called for that purpose. An item not included in the notice may be taken up on an emergency basis by a vote of at least a majority plus one of the board members.



*Remember that in 2025 amendments to F.S. 718 were made regarding conducting member meetings via video conference. The legal update portion of your continuing education will discuss this in further detail. For now, let's look at how Florida statute has defined video conferencing related association meetings.*

**Video conference:** *A real-time audio and video-based meeting between two or more people in different locations using video-enabled and audio-enabled devices. The notice for any meeting that will be conducted by video conference must have a hyperlink and call-in conference telephone number for unit owners to attend the meeting and must have a physical location where unit owners can also attend the meeting in person. All meetings conducted by video conference must be recorded, and such recording must be maintained as an official record of the association.*

### Election and Board Vacancies

The election of directors takes place at a membership meeting. Officers are elected at a board meeting. Board vacancies can be taken up at a board meeting, and the board will fill vacancies by appointing individuals.

## Termination of Condominium

In some circumstances, the continued enforcement of those covenants may create economic waste and areas of disrepair that threaten the safety and welfare of the public or cause obsolescence of the property for its intended use and thereby lower property tax values, and it is the public policy of this state to provide by statute a method to preserve the value of the property interests and the rights of alienation thereof that owners have in the condominium property before and after termination. It is in the best interest of the state to provide for termination of the covenants of a declaration of condominium in certain circumstances:

- The TVI of the condominium must include all voting interests for the purpose of considering a plan of termination. A voting interest may not be suspended for any reason when voting on termination.
- If 5% or more of the TVI reject a plan of termination, a subsequent plan of termination may not be considered for 24 months after the date of the rejection.
- A copy of the proposed plan of termination shall be given to all unit owners at least 14 days before the meeting at which the plan of termination will be voted on or before or simultaneously with the distribution of solicitation seeking execution of the plan of termination or written consent to or joinder in the plan.

**Note:** If the plan is approved by written consent or joinder without a meeting of the unit owners, any unit owner desiring to object to the plan must deliver a written objection to the association within 20 days after the date that the association notifies the nonconsenting owners that the plan of termination has been approved by written action in lieu of a unit owner meeting.

## Special Assessment

This is any assessment levied against unit owners other than the assessment required by a budget adopted annually. The written notice of a board meeting at which a nonemergency special assessment will be considered must be mailed, delivered, or electronically transmitted to the unit owners and posted conspicuously on the property at least 14 days before the meeting.

Notice of any meeting in which special assessments against unit owners are to be considered must specifically state that assessments will be considered and provide the estimated cost and description of the purposes for such assessments.

If there is no condominium property at which notices can be posted, notices shall be mailed, delivered, or electronically transmitted to each unit owner at least 14 days before the meeting.

## Emergency Powers

As previously stated under HOAs, during times of an emergency, meetings may be canceled. To be clear, an emergency for this reason, would be a disaster, natural, technological, or civil emergency that causes damage of sufficient severity and magnitude to result in a declaration of a state of emergency by a county, the governor, or the president of the United States. All CAMs and community association leaders should know that the Florida statute governing condominiums and cooperatives describes several provisions in the case of such an emergency under F.S. 718.1265 (condominiums) and F.S. 719.128 (cooperatives), Association emergency powers.

## Electronic Voting

The association may conduct elections and other unit owner votes through an Internet-based online voting system if a unit owner consents, electronically or in writing, to online voting. Requirements must be met for condominium associations that include:

- **A board resolution:** If the board authorizes online voting, the board must honor a unit owner's request to vote electronically at all subsequent elections, unless the unit owner opts out of online voting.
- The board resolution must provide that unit owners receive notice of the opportunity to vote through an online voting system, must establish reasonable procedures and deadlines for unit owners to consent, electronically, or in writing, to online voting, and must establish reasonable procedures and deadlines for unit owners to opt out of online voting after giving consent.
- Though legislation removed the requirement to send notice of the meeting at which the board resolution would be adopted, language was added to F.S. 718.128, Electronic voting, providing that if at least 25% of the voting interests of a condominium petition the board to adopt a resolution for electronic voting for the next scheduled election, the board must hold a meeting within 21 days after receipt of the petition to adopt such resolution. The board must receive the petition within 180 days after the date of the last scheduled annual meeting.

Cooperative associations may also conduct elections and other member votes through electronic voting. At the time that amendments were made to F.S. 718.128 for electronic voting for condominiums, no amendments or additions were made to F.S. 719.129 electronic voting for cooperatives. Therefore, their requirements include that notice must be distributed and posted at least 14 days in advance of the meeting at which a board resolution will be considered regarding electronic voting.

## PART 3: PROCEDURES FOR CONDUCTING MEETINGS

### Governance of Meetings

Community association meetings are subject to specific statutory requirements and the form of parliamentary procedure identified in its governing documents.

Parliamentary procedure, also known as rules of order, is a set of rules that define how particular situations are to be handled, or particular outcomes achieved, in a legislative or deliberative body.

A common form of parliamentary procedure used by community associations is Robert's Rules of Order Newly Revised 12th Edition (RONR). If there is a conflict between the form of parliamentary procedure used by the association and the governing documents, the documents prevail. If there is a conflict between the parliamentary procedure and a state statute, the statute prevails. If there is a conflict between the association documents and the state statute, and the documents include Kaufman language, the statute prevails. If this is the case, the board should consult with the association attorney regarding which procedure to follow. Robert's Rules is a well-known manual of parliamentary procedures that dates back to the late 1800's.

Parliamentary procedure is the body of rules, ethics, and customs governing meetings and other operations of clubs, organizations, legislative bodies, and other deliberative assemblies, such as community association board, member, and committee meetings.

From an article written by the law firm of Becker & Polikoff, August 30, 2022: *Do Robert's Rules of Order Apply to Community Association Meetings?*, the author reported that many times members and board members complain that their association is not following Robert's Rules of Order (Robert's Rules) during their board and/or owner meetings. They went on to point out that there is no requirement in any of the community association statutes (F.S. 718, 719, or 720) to follow Robert's Rules. In some cases, the association's governing documents (the bylaws) will require the association to adhere to Robert's Rules. In other cases, the governing documents will state that Robert's Rules may be used as a guide, but it is not required. Many bylaws do not mention Robert's Rules at all. Therefore, unless your governing documents require Robert's Rules, it's not applicable.

Most community associations want some structure for their meetings. They commonly try to follow the most important concepts of parliamentary procedure:

- Making motions
- Having a second made to the motion
- Debate (discussion) on the motion
- Put the motion to a vote
- Announce the results of the vote



*Remember that in community associations, owners are entitled to speak on agenda items and the owners' comments will also need to be part of the meeting. A CAM should understand the basic procedures of a meeting. Often, they serve to guide the board in the process.*

The author of the article concluded that while board members should have a basic understanding of parliamentary procedure, compliance with Robert's Rules is not required unless the bylaws make compliance mandatory. Often newer community associations are more inclined to make their own procedural rules for meetings, using Robert's Rules as a mere guideline.

### The Advantages and Disadvantages of using Robert's Rules of Order

Advantages	Disadvantages
Allows the board to keep meetings efficient and productive by strictly adhering to the agenda and forbidding participants to speak out of turn.	Many opportunities to misinterpret the rules that can complicate meetings.
Regulates the establishment of a quorum number and majority vote.	Possible conflict with state laws.
Specifies when discussions and votes can happen.	Possible conflict with the association's governing documents.

## Well-Structured Meetings

What helps to make a meeting successful with as little disruption as possible? The structure of the meeting and the adherence to the process by the board and members and conducting the meeting.

The meeting process should flow smoothly if holding to a protocol that is followed. Following the agenda for a meeting is essential. Here are some ways that the body conducting the meeting can help to keep the meeting stay on track:

- **Call to order:** The meeting should be called to order at the time that the meeting is set for on the notice.
- **Agenda:** A detailed agenda for condominium, cooperative, and homeowners' associations is required to be posted with the notice of the meeting. Following the agenda keeps the meeting on track.
- **Recognition of speakers:** Whomever is conducting the meeting should recognize each person who is to speak to an agenda item by name.
- **Motions, seconds, voting:** According to Robert's Rules, a second must follow a motion. If no one does second a motion, the motion effectively dies. The chair should not permit any side discussions to take place to avoid straying from the topic at hand. Following the discussion, the chair can then call for a vote.
- **Open discussion from the floor:** Remember that members have the right to speak to any agenda item or item open for discussion.
  - Keep in mind that boards need not address concerns that don't appear on the agenda during the open forum; instead, they can include them in

the agenda of the next meeting, or allow for good and welfare, which allows members to bring up other matters that may not be on the agenda.

## Robert's Rules of Order Voting on a Motion

Organizations must ensure that all members have a right to vote (unless their rights have been properly suspended). When taking a vote on a motion, there are three key questions to consider:

- Was the vote conducted fairly and impartially?
- Did each eligible voter get a chance to cast their vote?
- Did the announced outcome accurately represent the votes of the members?

### 3R-SUN

Remembering this quick reference for a basic agenda may help you to understand RONR's standard order of business.

Reading and approval of minutes (of the previous meeting of its kind)

Reports of officers, board, and standing committees

Reports of special (select and ad hoc) committees

Special orders (instructions to a CAM, staff, board, etc.)

Unfinished business and general orders

New business

<b>Robert's Rules of Order Key Terms</b>	
<b>Chair</b>	The person responsible for presiding over the meeting, usually the president of the community association board of directors.
<b>Floor</b>	To have the floor means to have a turn to speak.
<b>Motion</b>	A proposal of a decision, question or issue. The motion is made to discuss or vote on a particular item. If no motion is made, then no discussion or vote may take place.
<b>Order</b>	Discussion is "in order" if the comments made are relevant to the topic and if the chair has property recognized the speaker. The discussion or the speaker may be "out of order."
<b>Quorum</b>	In order to have a valid meeting, it must have a quorum. For community associations, a determination of a quorum may depend on the type of meeting; the governing documents; governing state statute.
<b>Second</b>	After a motion (another person), a second is made in order to continue.
<b>Voice Vote</b>	"Or show of hands" is just that. Rather than the use of a ballot, limited proxy form, or other type of written instrument, the vote would be taken by each voter's voice response or raise of their hand to the question "in favor" and "not in favor" (or similar).

## PART 4: WORKING AS A TEAM AND BOARD CODE OF CONDUCT



*For many CAMs it often feels like “us against them.” If the community association leaders feel less confident in the skills and knowledge of their manager or management, or if they take a superior over subservient mindset, it often creates stress on the manager and the management team members and confusion for members. Management of a community association is a lot about group dynamics, sometimes chaos management, and often it takes awhile before a CAM experiences a light in that tunnel.*

A CAM strives to work in a team environment with the association that they manage, the other members of the management team, and the management firm, if there is one.

### Group Dynamics

Regardless of what business background a CAM has, most likely group dynamics played a part. It is the same for community associations. What kinds of groups are involved? The board of directors represents a body or group that has certain rights and authority for the proper management of an association. Committees, whether standing or special, these groups of individuals, usually unit or parcel owners, are comprised of various skills, attitudes, and of course the requirements imposed upon the committee. Do not forget the individual members (owners, tenants) who most CAMs have a lot of daily interaction with. If the management company provides services and personnel to the association, the CAM normally has supervisory authority over those individuals. The point is, no matter how large or small a community association is, a CAM works in an environment of group dynamics daily.

Often these volunteer groups are diverse. What exactly does that mean? In a community association who are the groups comprised of? Answer - Volunteers.

### What are Volunteers?

They are individuals or groups who freely give time and labor for community service. Many volunteers are specifically trained in the areas they contribute, such as management, bookkeeping or accounting, law, or physical property operations. Others serve on an as-needed basis, such as in response to an emergency or natural disaster or volunteering to help out at the annual election or election, even volunteer activities such as decorating clubhouse/ community for holidays or planning community events.

But these are voluntary actions. They cannot be hired but can be enlisted; they cannot be fired but may be removed; and are not paid (they give freely of their time and labor).

### Volunteers' Core Values

This includes volunteers in community associations.

- **Respect and trust:** Belief in positive intent. Individual integrity. Creativity and innovation. Regard for their limited authority and expected responsibilities. And the power of teamwork.

*There are 67 synonyms for volunteers. Some favorites are mentor, take the pledge, paddling one's own canoe, and unpaid worker.*

The groups differ in goals, composition, and mindset just within their group (board, committee, etc.). They are also likely to have different objectives than the manager and other members of the management team. Trying to make all this work cohesive may make it necessary to build a team mindset.

Can we say that knowing the intricacies of meeting purpose and requirements, governing documents and policies, state statutes, local ordinances are essential business skills of management?

### Management and Volunteers

A CAM is charged with the responsibility of understanding how to navigate the process and procedures of management's staff members, the associations, usually independent contractors, vendors and service providers. Together these teams are charged with addressing the community association's goals and objectives. The management team looks to achieve certain goals and objectives that in turn help the board and officers to achieve the community association's goals and objectives.

In your experiences, do you find that this is easily done? Uncomplicated? Crystal clear?



*I believe that most CAMs find that this is not always easy! In many circumstances, such objectives are anything but easy. Generally, they are very complicated and frequently unclear. When, and if, an association board has a clear vision of what the goals and objectives of the association are, it may help to work with a management team so that they can come together in a mindset working together. However, often the board and officers do not have a clue what the goals and objectives are.*

## Mindset Can Make a Difference

Sometimes board members become board members because they are bored members – not enough to keep them busy! Sometimes it's because a well-meaning owner who is probably also desperate to attract candidates to serve enlist people by making statements like, "Get on the board. You only have to go to a meeting once a month. There's really nothing else to do." Sometimes people get on the board because they feel offended by a notice of non-compliance or wronged by an increased assessment.

These individuals may feel sure that they alone can change the course of the association's journey. Such outlooks and attitudes are totally evading the goals and objectives of the association. When there is a "mine-mine-mine" mindset (from *Finding Nemo*), it is difficult to look squarely at the wants and needs of the association, but it's easy to move toward a "less team" oriented group dynamic and more toward a "personal agenda" mindset.

## Setting Goals and Objectives

How are goals and objectives achieved? Some ways that an association can understand what its objectives are is by looking to the documents and statutes; looking at the community both physical property and interpersonal communication; looking to the management team for guidance, suggestions, value of experience; and by looking into the heart of their team – the board of directors and other volunteers.

## The Board of Directors' Basic Powers and Responsibilities

As community associations in the state are required to be incorporated (usually F.S. 617, Not-for-profit corporations), all corporate powers are exercised or carried out under the authority of the board, subject to certain limitations in their bylaws, articles, and declaration.

The HOA, Condominium, and Cooperative Acts require concurrence for certain actions, such as amending the documents and writing rules, and must meet defined obligations including following:

- Enforcing use restrictions including enacting rules and regulations
- Adequately insuring the community property and assets
- Presenting an annual budget that considers the short- and long-term maintenance, levying and collecting assessments to fund the operations, and paying taxes.
- Maintaining detailed corporate records and obtaining annual reviews of the finances to which members have access.

- Announcing and conducting meetings and permitting members attendance and participation with limited exclusions
- Entering into contracts, employing staff and professionals, such as management, attorneys, accountants, and engineers, and providing necessary services to maintain the common property.

Notice that one of these obligations includes announcing and conducting meetings and permitting members attendance and participation with limited exclusions. Maybe this further helps you to answer the questions posed at the beginning of this course:

- How significant are meetings in a community association?
- Are they important or a nuisance?
- Does a CAM have a role in meetings?

Along with assisting the volunteers in a community association to understand and adhere to their obligations, a CAM may also help them to understand the importance of adopting policies. Policy adoption typically requires the board's approval during a board meeting with a quorum present.

The following is a short list of important policies for a community association:

- **Collection policy:** When assessments are due and when they are late and the applicable consequences.
- **Records retention policy:** Required duration of retaining records of the association.
- **Reimbursement policy:** The process for volunteers to receive reimbursement after using personal funds.
- **New owner/tenant screening policy:** The process and requirements for new owners/tenants.
- **Email and communication policy:** How communications to and with members (owners) are conducted.
- **Website communication policy:** Entity responsible to keep website current and how it's implemented.
- **Audio and video recording of meetings policy**
- **Meeting protocol and rules policy:** Will meetings be conducted strictly by RONR? If not, specify alternate policies for conducting meetings

Such policies may be created as a board resolution as well and the board should consult with the association attorney to understand what policies (or resolutions) are important for their association. Policies, like those mentioned above, often are separate and different from the association's rules and regulations that often focus on property and facility use and/or maintenance.

## Board of Directors Code of Conduct

An esteemed colleague in the CAM industry, once relayed the importance of considering a code of conduct—in essence—a policy to govern board members' behavior. They expressed the premise as,

“The board positions are filled by volunteers. These well-meaning community members are invested in the continued success of their community. But even the most well-intentioned board members often lack the experience and training needed to run a community, and it is not uncommon for personal beliefs or misguided actions to cause problems. A code of conduct can help to ensure that board members abide by certain rules that are essential to creating a more effective community association. Creating a solid code of conduct takes some work; however, ensuring that all members of the board perform their duties in a way that is in the best interest of the community is well worth the time and effort.”

A code of conduct (or code of ethics) is common to most corporations and businesses. A code of conduct can include reference to the following:

- **Commitment:** Serving as a board member is a time commitment.
- **Professional behavior:** Treating homeowners, contractors, lawyers, and fellow board members with respect and professionalism, ensuring there is an open dialogue between board and association members, can go a long way in creating a unilaterally successful board.
- **Antidiscrimination:** It should be clear that such activities are prohibited and can be cause for immediate removal from the board.
- **Compliance with governing documents and relevant laws:** While serving on the board, it is vital for a board member to become familiar with the association's governing documents, policies, resolutions, and rules.
- **Conflict of interest:** A board member should disclose any conflicts to the board and members. They should consider such conflicts relating to voting on actions to be taken.

- **Business discussions:** Board business should be conducted only at scheduled meetings. It is inappropriate for board members to conduct association-related business outside of board meetings. This could inappropriately omit other board members with differing opinions.
- **Confidentiality:** Board members should be bound by their code of conduct to maintain complete confidentiality of association matters, such as board decisions, actions involving litigation, and legal matters.
- **Professional contractor services:** A code of conduct should specify the procedure for selecting a contractor/service provider. This will make the process of obtaining bids, checking reviews, and voting as a board simple and consistent.

As the statutes and administrative codes have changed over the years, we should remember that many of the issues above are requirements of boards of directors as determined by statutes. As we noted earlier in the course, condominium and cooperative associations require newly elected and appointed board members to certify in writing to the secretary of the association the following:

- They have read the association's declaration of condominium, articles of incorporation, bylaws, and current written policies.
- They will work to uphold such documents and policies to the best of their ability.
- They will faithfully discharge their fiduciary responsibility to the association's members.

Additionally, newly elected and appointed condominium board members must attend a state-approved course and provide evidence of doing so to the association. For cooperatives, newly elected and appointed board members may attend such course in lieu of certifying in writing the above.

In many ways, these provisions may take the form of a document such as a code of conduct. That will be up to the individual associations. Either way, it's the volunteers' responsibility to comply, and it's often a responsibility of the CAM or management team to assist them in their compliance.

## COURSE SUMMARY

This concludes the CAM CE “Meetings, Important or a Waste of Time?” The goal of this course is to emphasize the importance of community association meetings, procedures for conducting meetings, statutory requirements related to meetings, and the importance for a CAM and management team's knowledge of

these factors and skills in assisting associations to be in compliance with their governing documents, statutes, and other codes and laws that may relate.

You'll find a quick 10-question quiz in the front of the book. We hope this course helps you in your continuing CAM career!

## ADDITIONAL RESOURCES

### BOARD MEETING NOTICE EXAMPLE

**The XXXXX Homeowners' Association, Inc.**  
**Board of Directors Meeting**  
 August 14, 20xx at 7:00 PM  
 Recreation Center  
 700 xxx Lane, Greenacres, FL 33xxx  
**AGENDA**

1. Call to order
2. Announcement of quorum
3. Proof of notice of meeting
4. Reading of minutes of prior board meeting(s)
5. President's report
6. Treasurer's report
7. Committee reports:
  - a. ARC
  - b. Interview
  - c. Communication
  - d. Compliance
  - e. Landscape
  - f. Hospitality
8. Unfinished Business
9. New Business
  - a. Review landscape maintenance bids
  - b. Set date for annual meeting
  - c. Instruct CAM to prepare necessary notices and documents to be reviewed by board
10. Adjournment

### SPECIAL BOARD MEETING NOTICE EXAMPLE

**The XXXXX Homeowners' Association, Inc.**  
**Board of Directors Meeting**  
**To Vote on and Adopt**  
**New and Revised Rules for Clubhouse**  
 October 25, 20xx at 7:00 PM  
 Recreation Center  
 700 xxx Lane, Greenacres, FL 33xxx  
**AGENDA**

1. Call to order
2. Announcement of quorum
3. Proof of notice of meeting
4. Reading of minutes of prior member meeting(s)
5. Proposed clubhouse use rules for board consideration and adoption:
  - a. Rental fee increases from \$100 to \$150
  - b. Rental arrangements required 14 days prior to even
  - c. No smoking or vaping in clubhouse or enclosed pool patio
6. Adjournment

<b>Association Meetings Key Terms</b>	
<b>Abstain</b>	To abstain means not to vote at all. Whether the member calls, "I abstain" or does not vote at all on a matter, it is considered an abstention and must be recorded in the minutes.
<b>Board Meeting</b>	A meeting of the board to transact association business.
<b>Committee Types</b>	<b>Standing:</b> A permanent committee that meets regularly. <b>Special (or ad hoc):</b> A committee formed for a specific task or objective and dissolved after the completion of the task or achievement of the objective
<b>Group Dynamics</b>	The processes involved when people in a group interact with each other. Group dynamics is concerned with the formation and structure of groups and the way they interact, affect individual members, other groups, and the organization.
<b>Members/ Membership Meeting</b>	An association meeting for which a quorum of members and a vote of the members is required to transact business.
<b>Minutes</b>	A record of all association meetings that is required by statute to be maintained in a written form or in a form that is capable of being converted to a written format within a reasonable period.
<b>Retention Policy</b>	An organization's process for managing documents from creation to retention or disposal. Good policies help businesses retrieve documents for easy reference. They also outline how to dispose of documents properly to protect information.
<b>Volunteer</b>	A person (or a group) who does something by free choice usually with no payment expected or given.

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# Legal Update 2025-2026

## 3 Hours of CE Credits (LU)

Approval: Correspondence #9633815  
Distance/Online #9633814

Expiration: 10/15/2027  
Expiration: 10/15/2027

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### Course Overview

This course provides students with statutes and administrative rules applicable to community associations and community association managers. Some laws directly impact condominiums, cooperatives, homeowners' associations, and timeshares. While others may apply to related entities, such as management, flood disclosures, and fire prevention. Included are laws passed and administrative codes adopted during the 2025

legislative session. We will review legislative changes from 2024 as they may impact those made in 2025.

The course material includes a chart listing Florida laws to be covered in this course. The course text identifies changes with a line through words or phrases that were changed or deleted, and underlined to indicate information that was added by legislature.

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### Learning Objectives

- Understand the state legislature purpose and process.
- Recognize legal matters concerning community associations, CAMs, and community association firms.
- Understand how rules are made. Understand amendments made to the statutes directly affecting community associations and agents, such as CAMs and CAM firms.

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## INTRODUCTION

Florida Legislation enacted a number of amendments to statutes affecting F.S. 718, 719, 721, 723, and 468 Part VIII.

Additionally, there were laws amended and enacted regarding building and construction standards, Florida business corporations, dangerous dogs, lodging and food service establishments, fire prevention, notice between landlords and tenants, affordable housing, removal of unauthorized persons from commercial property, and flood disclosures.

In the chart of legal updates provided at the end of this course, we draw your attention to several changes in 2024 that had an impact on associations, their boards

of directors, community association managers, and community association management firms. We will review 2024 and discuss some of what happens to make laws change. At the end of the course, you will be directed to complete a 10-question quiz.

This course is divided into three parts:

**PART 1: Legislative process:** From an idea to a law.

**PART 2: Laws passed in 2024:** Review and reflect on the impact of laws enacted as of July 2024.

**PART 3: Laws passed in 2025:** Impact on community associations, licensed CAMs, and CAM firms.

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## PART 1: LEGISLATIVE PROCESS - FROM AN IDEA TO A LAW

The Florida Senate and the Florida House of Representatives together make up the Florida Legislature, a bicameral legislature. The Florida Legislature is one of three branches of government in Florida. The other two branches are the Executive and Judicial.

The Senate is composed of 40 members, each elected by single-member districts across the state. The Florida Legislature meets in session every year for 60 consecutive days. A regular session of the legislature convenes on the first Tuesday after the first Monday in March of each odd-numbered year, and on the second Tuesday after the first

Monday in January of each even-numbered year. There are other ways in which the Legislature may be convened as outlined in Article III, Section 2, of the Florida Constitution, including special sessions, which may be called either by the governor or by a joint proclamation issued by the Senate president and House speaker.

The 2025 Regular Session was scheduled to convene on March 4, 2025, and end May 2, 2025, but was extended to June 5, 2025. The Regular Session for 2026 is scheduled to convene on January 13, 2026, to March 13, 2026.

## How an Idea Becomes a Law

Either house may originate any type of legislation; however, the process differs slightly between houses.

- A legislator sponsors a bill, which is referred to one or more committees related to the bill's subject.
- The committee studies the bill and decides if it should be amended, passed, or failed.
- If passed in that committee, the bill moves to other committee of reference or to the full house.
- The full house then votes on the bill.

- If it passes in one house, it is sent to the other house for review.

A bill goes through the same process in the second house as it did in the first. A bill can go back and forth between houses until a consensus is reached. Of course, the measure could fail at any point in the process.

To follow a bill through the process see the end of the course or click the link for the PDF of [How an Idea Becomes a Law](#)

## PART 2: LAWS PASSED IN 2024

### Impact of Laws Enacted as of July 2024

Important legislative changes and enactments affecting community associations, licensed community association managers, and management firms, specifically focused on HOAs were chapters 2024-205 (HB 293), 2024-221 (HB 1203), and 2024-202 (HB 59). Here is a summary of their impact on homeowners' associations:

#### Prohibits

- An HOA may not prohibit parcel owners from installing hurricane protection; however, the association could set specifications for the color and style of the protection.
- Fraudulent voting activities in HOAs are specified as a first degree misdemeanor.
- Prohibits HOA officers, directors, employees, and agents from using a debit card issued in the name of the association, unless properly preapproved by the board and reflected in the meeting minutes or the budget.
- Violation fining for leaving garbage receptacles out less than 24 hours before/after pick-up; for leaving holiday decorations/lights up longer than indicated by the association; for personal vehicle, including pickup trucks parked on owner's driveway or in any other area where they have the right to park.

#### Requires

- A CAM or management firm to attend at least one member or board meeting annually.
- Provide association members information about management, including contact person, contact information, and times of availability.
- An HOA licensed CAM to complete at least five hours of continuing education that pertains to HOAs and three hours about record keeping.

- As of January 1, 2026, an HOA with 100 or more parcels, must maintain a digital copy of specified official records on its website or through an application on a mobile device.
- HOAs with 1,000 or more parcels to have an audited financial statement annually. May not reduce the level of report for consecutive years.
- Requires association to provide detailed accounting to a parcel owner within 15 days of request.
- Education for newly elected and appointed directors; and includes that for an association with fewer than 2,500 parcels – four hours of continuing education and for an association with 2,500 or more parcels, eight hours.
- An association or its architectural committee provide details of a denied request and reference to the specific basis/rule for the denial.
- Requires fine hearing to be held within 90 days of notice. Allows hearing to be conducted electronically.
- Allows HOA members right to consent to electronic voting by using electronic means of consent.
- Required a physical or digital copy of association's rules and covenants be provided to every association member before October 1, 2024; and subsequently to all new members.

Specifically focused on **condominiums and cooperatives** were chapters 2024-108 (HB 1029) and 2024-244 (HB 1021). Here is a summary of their impact:

- Creates the My Safe Florida Condominium Pilot Program (Program) within the Department of Financial Services (DFS), to provide hurricane mitigation inspections and hurricane mitigation grants to eligible condominium associations.
- Added that milestone inspections did not apply to single-, two-, three-, and four-family dwellings with three or fewer habitable stories above ground.

- The declaration of condominium must contain the name by which the condominium property shall include the word “condominium” or be followed by the words “a condominium.”
- If the association has provided the opportunity for membership to vote electronically, the association cannot refuse such request; and the law was clarified to provide that an owner may consent to using online voting by email.
- Kickbacks: An officer, director, or manager who knowingly solicits offers to accept, or accepts, a kickback, commits a felony of the third degree and must be removed from office and a vacancy declared.
- If the Division receives a complaint that the association does not maintain proper insurance or fidelity bonding, the Division must monitor the association for compliance and may issue fines and penalties.
- Added a number of requirements regarding access to the official records of a condominium association.
- Condominiums must have a website as of January 1, 2026. Pertains to associations managing a condominium with 25 or more units.
- Condominiums: A person who uses a debit card that is issued in the name of the association for an expense that is not a lawful obligation of the association, commits theft and is punishable under the criminal statutes based upon the amount of money expended.
- The membership can vote to obtain a lesser financial report than otherwise required by law; however, it may not do so in consecutive fiscal years.
- A residential condominium association with more than 10 units must meet at least once each quarter. At least four times a year, the meeting agenda must include an opportunity for members to ask the board questions. The right to speak includes the right to ask questions relating to reports on the status of construction or repair projects, the status of revenues and expenditures during the current fiscal year, and other issues affecting the condominium.
- Suspending voting rights: At least 90 days before an election, an association must notify a unit owner or member that their voting rights may be suspended due to nonpayment of a fee or other monetary obligation.
- Provides that if the condominium or cooperative board authorizes online voting, the board must honor a unit owner’s request to vote electronically at all subsequent elections, unless the unit owner opts out.
- Allows condominium and cooperative owners to consent to electronic voting in elections by using an electronic means of consent.
- Provides a uniform procedure for approval of hurricane protection; and provides that unit owners are not responsible for the cost of removal and reinstallation of hurricane protection if the removal is necessary to repair condominium property.
- Construction defect claims are limited to seven years from turnover instead of seven years from the date of the certificate of occupancy.
- The secretary to the Department of Professional Regulations (DBPR) appoints the ombudsman.
- A person who is delinquent in the payment of any *assessment* is not eligible to be a candidate for condominium board membership.
- Condominiums and cooperatives require association boards to adopt the annual budget at least 14 days before the start of the fiscal year.
- Failing to provide official records is a misdemeanor.
- Condominium director education: Four hours of training that includes instruction on milestone inspections, SIRS, elections, record keeping, financial literacy and transparency, levying fines, and meeting requirements. Directors to annually complete at least one hour of continuing education about recent changes to the condominium laws and rules during the past year.

As we work through the legal updates for 2024 and 2025, you will see that several of the changes above were revisited.

## **PART 3: LAWS PASSED IN 2025 - IMPACT ON COMMUNITY ASSOCIATIONS, LICENSED CAMS, AND CAM FIRMS**

### **Florida Statutes [Chapter 2025-6, SB 42, Effective August 15, 2025]**

The act relating to a number of the Florida Statutes by amending, reenacting, repealing, and deleting provisions that have expired, become obsolete, had their effect, served their purpose, or been impliedly repealed or superseded; replaced incorrect cross-references and citations; corrected grammatical, typographical, and

like errors; removed inconsistencies, redundancies, and unnecessary repetition in the statutes; and improved the clarity of the statutes and facilitated their correct interpretation.

## Administrative Procedures [Chapter 2025-189, SB 108, Effective July 1, 2025]

The bill amends the Administrative Procedure Act's rule making process to provide for additional public input and transparency. The bill also mandates that an agency conduct a review of all of its existing rules over the next five years; requires a review during the fifth year of each new rule adopted after July 1, 2025; requires an agency to file a notice of rule development within 30 days of legislation mandating rule making, and to file a notice of proposed rule within 180 days thereafter. The bill also requires at least seven days between the publications of a notice of rule development and a notice of proposed rule; requires any material incorporated by reference to be published with the notice of proposed rule; and

requires that the full text of emergency rules be published in the Florida Administrative Code. The bill provides for additional public input in the statement of estimated regulatory cost (SERC.) The bill supplements the agency evaluation of transactional costs and market impacts in its creation of a SERC. The bill prohibits the sunset or repeal of a rule by its own terms, unless specifically provided for in the underlying statute that provides authority to adopt the rule. The bill also requires an agency to withdraw a rule that was not ratified by the legislature within one regular legislative session after its referral to the body, and the bill requires each agency to publish specific licensing data in its annual agency regulatory plan.

## Professional Licensing Education in Correctional Facilities [Chapter 2025-68, SB 472, Effective July 1, 2025]

The bill amends the Correctional Education Program to require the Department of Corrections (DOC) to design and implement a plan to ensure that inmates who successfully complete classes that meet the necessary curriculum for professional licensure receive credit

towards the applicable Department of Business and Professional Regulation (DBPR) licensure requirements. The DOC must coordinate with the relevant professional boards under the DBPR, or the DBPR, when there is no board, to develop such a plan.

## Florida Statutes: Timeshare Management Firms [Chapter 2025-142, HB 897, Effective July 1, 2025]

F.S. 721 and 468: The amendments made to timeshare management firms affect F.S. 721 (Vacation and Timeshare Plans), F.S. 468 (Miscellaneous Professions and Occupations), Part VIII (Community Association Management).

The bill exempts CAMs and CAM firms from certain requirements relating to conflicts of interest if the CAM or CAM firm manages a timeshare plan and provides certain disclosures relating to a conflict of interest. The bill specifies that timeshare management firms and licensed CAMs who are employed by a timeshare management firm are governed by certain provisions in the Vacation Plan and Timesharing Act. Additionally, the bill requires timeshare management firms and licensed CAMs that are employed by a timeshare management firm to discharge their duties in good faith and exempts such firms and licensed CAMs from certain liability for monetary damages. The bill requires the board of administration of a timeshare condominium to meet only once a year but does not prohibit additional board meetings from being called. The bill requires that if a timeshare management firm or an owners' association

provides goods or services through a parent, affiliate, or subsidiary of the timeshare management firm, the fact that a related party is providing goods or services must be disclosed annually to the members of that owners' association using certain methods.

Notwithstanding F.S. 718, the board of administration of a **timeshare condominium is required to meet only once each year**, unless additional board meetings are called pursuant to a timeshare instrument.

If a timeshare management firm or an owners' association provides goods or services through a parent, affiliate, or subsidiary of the timeshare management firm, the fact that a related party is providing goods or services must be disclosed annually to the members of that owners' association.

A timeshare management firm and any individual licensed under part VIII of chapter 468 employed by the timeshare management firm are governed by this section and s. 468.438.

**Florida Statutes: Condominium and Cooperative Associations and CAM/CAM Firms  
[Chapter 2025-175, HB 913, Effective July 1, 2025]**

F.S. 718, 719, and 468: The amendments were made to F.S. 718 (condominium) and 719 (cooperative) associations, and 468 (Miscellaneous Professions and Occupations), Part VIII (Community Association Management):

<b>Chapter 2025-175 (HB 913) Summary of Effects on Management, Condominiums, and Cooperatives</b>	
Community Association Management, F.S. 468, Part VIII	<ul style="list-style-type: none"> <li>The bill creates additional requirements relating to the licensure and regulation of community association managers and community association management firms.</li> <li>The bill also prohibits any design professional or contractor from having an interest in a firm or entity providing a milestone inspection for an association, unless the interest is disclosed.</li> </ul>
Condominiums F.S. 718 and Cooperatives F.S. 719	<ul style="list-style-type: none"> <li>Amends requirements relating to SIRS, milestone inspections, and condominium and cooperative association governance and management.</li> <li>Extends the deadline for certain associations related to completing a Structural Integrity Reserve Study (SIRS) to December 31, 2025.</li> <li>Allows an association, subject to certain requirements and limitations, to utilize special assessments, lines of credit, or loans to fund reserves.               <ul style="list-style-type: none"> <li>To pool reserve accounts.</li> <li>To use a baseline funding plan for its reserve funding schedule.</li> <li>To invest reserve funds in certificates of deposit or depository accounts without a vote of the unit owners.</li> <li>To conduct board and unit owner meetings via video conference.</li> </ul> </li> <li>Allows all multi-condominium associations to use an approved alternative funding method to satisfy reserve funding obligations.</li> <li>The bill requires local enforcement agencies to submit to the DBPR certain information relating to association compliance with milestone inspection requirements annually.</li> </ul>

**Management:** F.S. 468 was amended as described in the following paragraphs, including posting new penalties for License Revocations. Community associations, CAMs, and CAM firms are impacted in the following ways:

- Community associations must verify that its CAM or CAM firm holds a current, valid license with the DBPR.
- A CAM or CAM firm is required to provide prompt notification of any changes to license status, including suspensions or revocations.

- Management contracts are required to include specific statutory language related to professional standards of a CAM or CAM firm. This includes assurance that the CAM or CAM firm may not agree to waive professional standards.
- To protect the association's interests, a community association must act timely if notified of a license suspension or revocation of a CAM or CAM firm's license.
- It is in the best interest of the community association to consult with its legal counsel when considering management service contracts regarding conflicts of interest related to compensation.

**F.S. 468.432** Licensure of community association managers and community association management firms; exceptions. -

(2)(h) A person who has had their CAM license revoked may not have an indirect or direct ownership interest in, or be an employee, a partner, an officer, a director, or a trustee of a CAM firm during the 10-year period after the effective date of the revocation. Such a person is ineligible to reapply for certification or registration under this part for a period of 10 years after the effective date of a revocation.

**F.S. 468.432(3)** was amended to add that licensed CAMs and CAM firms must create and maintain an online licensure account with the DBPR. Included with this account, a CAM must identify the CAM firm for which they provide management services and identify which association(s) for which they are the designated onsite CAM. It requires that the licensee must update their online licensure account within 30 days after any change to the required information. On their online licensure account, CAM firms must identify the CAMs it employs. If a CAM has their license suspended or revoked, the Department must notify both the CAM firm and association for which the CAM provides management services.

Furthermore, the Florida Condominium Act, F.S. 718.111, was amended to state that board members and officers of an association must ensure that the CAM or management firm is properly licensed before entering into a contract. If a CAM or CAM firm's license is suspended or revoked during the term of a contract, the association may terminate the contract upon delivery of written notice, effective on the date the manager or firm became unlicensed.

F.S. 468 requires a CAM and CAM firm to discharge duties performed on behalf of the association as authorized by this statute loyally, skillfully, and diligently; dealing honestly and fairly; in good faith; with care and full disclosure to the community association; accounting for all funds; and not charging unreasonable or excessive fees. However, **F.S. 468.4334(1)(a)** was amended to require that a CAM or CAM firm is prohibited from knowingly taking any action directed by the community association that violates state or federal law.

**F.S. 468.4334(1)(b)**, expanded the requirements relating to responsibilities of milestone inspection requirements or the SIRS requirements, in F.S. 718.112(2)(G) and F.S. 719.106(1)(k), that the CAM or the CAM firm must comply with “*those sections*” as directed by the board.

**F.S. 468.4334(1)(c)** was added to require a contract between a CAM or CAM firm and the association to provide a written statement in at least 12 point type (shown below), if it applies to the type of management services provided in the contract:

**The community association manager shall abide by all professional standards and record keeping requirements imposed pursuant to part VIII of F.S. 468.**

**F.S. 468.4334(1)(d)** was amended requiring that a contract between a CAM or CAM firm and a community association may not waive or limit the professional practice standards required pursuant to this part.

**F.S. 468.4334(3)(a), (b), and (c)** were amended to apply to *all associations*, (i.e., condominiums, cooperatives, and homeowners’) rather than only homeowners’ associations.

### **Statutory Obligations of CAMs and CAM Firms for All Associations**

- Attend in person at least one association meeting annually.
- Provide the members, and if required to have a website, post on their website or mobile application, the name and contact information of the CAM assigned to the association.
  - If the association is required to maintain official records on a website or mobile application, this information is required to be posted on the website or application. The CAM or CAM firm must update this information within 14 business days of any changes.
- Provide a copy of the contract between the association and the CAM or CAM firm upon any member’s request.

**F.S. 468.4335** relating to conflicts of interest, subsection (1) and (2) were amended to read:

(1)(a) A community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, proposes to enter into a contract or other transaction with the association, or enters into a contract for goods or services with the association, for services other than community association management services.

A community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, holds an interest in or receives compensation or anything of value from a person which corporation, limited liability corporation, partnership, limited liability partnership, or other business entity that conducts business with the association or proposes to enter into a contract or other transaction with the association. As used in this paragraph, the term “compensation” means any referral fee or other monetary benefit derived from a person which provides products or services to the association, and any ownership interests or profit-sharing arrangements with product or service providers recommended to or used by the association.

If the association receives and considers a bid that exceeds \$2,500 to provide a good or service, other than community association management services which is or may reasonably be construed to be a conflict of interest under subsection (1), the association must solicit multiple bids from other third-party providers of such goods or services. This subsection does not apply to any activities or the provision of goods or services that are disclosed in the management services contract as a conflict of interest within the meaning of subsection (1).

### **Condominiums and Cooperatives**

**F.S. 553**, building construction standards, as it relates to mandatory inspections, was amended as described in the following paragraphs including disclosure requirements.

The milestone inspection requirements of F.S. 553.899, were amended to apply to residential condominium or cooperative buildings that are three or more **habitable** stories in height (as determined by Florida Building Code).

**A local jurisdiction must now adopt an ordinance** requiring that a condominium or cooperative, or any other owner subject to the milestone inspection requirements, to schedule or commence repairs for

substantial deterioration within a specified time period after receipt of a **phase two** milestone report. However, it cannot be more than 365 days after receipt of the phase two milestone report.

Licensed architects or engineers bidding to perform a milestone inspection must **disclose in writing** their intent to bid on any services related to maintenance, repair, or replacement services that may have been recommended by the milestone inspection.

Any **design professional** on services recommended by the milestone inspection is prohibited from having any interest in the firm providing the inspection unless it is disclosed in writing. Design professional is defined by statute to include a person who is licensed in Florida as an architect or engineer.

Such design professional who submits a bid to the association to perform services recommended by the milestone inspection cannot have a direct or indirect interest in the entity or firm providing the milestone inspection. Further, they may not be a relative of any person having a direct in the firm, unless disclosed to the association in writing.

If the required disclosure of relationship is not provided to the association, the contract is voidable, and the professionals may face disciplinary action for failure to disclose. The contract for such services terminates upon the association filing a written notice terminating the contract, however, the association has the right but not the obligation to void the contract for failure to disclose.

Local enforcement agencies responsible for milestone inspections must provide specific information in electronic format to the DBPR by **December 31, 2025**, and annually thereafter.

The information that must be provided includes, but is not limited to, the following:

- The number of buildings required to have milestone inspection within the agency's jurisdiction.
- The number of buildings that have had their phase one milestone inspections completed.
- The number of buildings granted an extension of the date (if applicable) of their initial milestone inspection must be completed.
- The number of buildings required to have a phase two milestone inspection.
- The number of buildings that have had their phase two milestone inspection completed.
- The number, type, and value of permit applications received to complete repairs required by a phase two milestone inspection.

- A list of buildings considered to be unsafe or uninhabitable, as determined by a milestone inspection.
- The license number of the building code administrator responsible for milestone inspection for the local enforcement agency.

The DBPR is required to provide all obtained information to the **Office of Program Policy Analysis and Government Accountability (OPPAGA)**, which may request additional information to compile a report for the President of the Senate and Speaker of the House of Representatives.

**F.S. 718.103** Definitions, was amended to include the following terms:

“Alternative funding method” means a method approved by the division for funding the capital expenditures and deferred maintenance obligations for a multi condominium association ~~operating at least 25- condominiums~~ which may reasonably be expected to fully satisfy the association's reserve funding obligations by the allocation of funds in the annual operating budget.

“Video conference” means a real-time audio and video-based meeting between two or more people in different locations using video-enabled and audio-enabled devices. The notice for any meeting that will be conducted by video conference must have a hyperlink and call-in conference telephone number for unit owners to attend the meeting and must have a physical location where unit owners can also attend the meeting in person. All meetings conducted by video conference must be recorded, and such recording must be maintained as an official record of the association.

**F.S. 718.110**, related to the modification of size or unit in non-residential condominiums, amended subsection (4) by providing a method for *nonresidential* condominiums that are formed after July 1, 2025, to change the configuration or size of a unit or modifying the appurtenances to a unit or change the proportion or percentage by which the unit owner shares the common expenses of the condominium and owns the common surplus of the condominium.

The statute now provides that if all the affected owners and lienholders agree and execute the amendment, then the modification may be made. The approval of the record owners of the unaffected units in such condominium is not required. Subsection (10) changes the requirement to serve process, in the event of an error of omission in the declaration, to address as reflected in the association's official records rather than to the last known residence.

**718.111** The association was amended in the following ways.

**Subsection (3)**, paragraphs (g), (h), and (i) were added as follows:

(g) If an association contracts with a community association manager or a community association management firm, the community association manager or community association management firm must possess all applicable licenses required by part VIII of chapter 468. All board members or officers of an association that contracts with a community association manager or a community association management firm have a duty to ensure that the community association manager or community association management firm is properly licensed before entering into a contract.

(h) If a contract is between a community association manager and the association, and the community association manager has his or her license suspended or revoked during the term of a contract with the association, the association may terminate the contract upon delivery of a written notice to the community association manager whose license has been revoked or suspended, effective on the date the community association manager became unlicensed.

(i) If a community association management firm has its license suspended or revoked during the term of a contract with the association, the association may terminate the contract upon delivery of a written notice to the community association management firm whose license has been revoked or suspended, effective on the date the community association management firm became unlicensed.

**Subsection (11) Insurance** was amended as follows:

(a) Every condominium association shall have adequate property insurance regardless of any requirement in the declaration of condominium for certain coverage by the association.

1. An association or group of associations may provide adequate property insurance through a self-insurance fund that complies with the requirements of ss. 624.460-624.488.

2. The amount of adequate insurance coverage for full insurable value, replacement cost, or similar coverage may be based on the replacement cost of the property to be insured, as determined by an independent insurance appraisal or an update of a previous appraisal. The replacement cost must be determined at least once every 3 years, at minimum. Note: This previously read “at least every 36 months.”

3. The association’s obligation to obtain and provide adequate property insurance coverage for a group of at least three communities created and operating under this chapter, chapter 719, chapter 720, or chapter 721 may be satisfied by obtaining and maintaining for such communities’ insurance coverage sufficient to cover an amount equal to the probable maximum loss for the communities for a 250-year windstorm event.

**Subsection (12)**, Official records for condominium associations was amended in the following ways:

The amendments require official records to be maintained, and that official documents must be made available on the association’s website or for download through a mobile device application within 30 days after the association receives or creates an official record. Accurate, itemized, and detailed records of all receipts and expenditures now explicitly include all bank statements and ledgers.

A new requirement that condominium associations maintain a copy of all affidavits required by the Florida Condominium Act has been added.

The Bill clarifies that the association is required to keep copies of the most recent annual financial statement and annual budget available on the condominium property to be provided to unit owners or prospective purchasers. The association may still charge its actual costs for preparing and furnishing these documents to those requesting the documents.

Relating to violations of record access by a board member, officer, CAM or CAM firm, the phrase previously used, “*knowingly, willfully, and repeatedly*” is removed and replaced with “*willfully and knowingly or intentionally*.” Previously “repeatedly” found criminal liability for records violations, which was defined as two or more in a 12 month period. The new law eliminates the requirement for repetitive violations and provides for potential criminal penalties for any willful and knowing or intentional violation.

**F.S. 718.111(12)** paragraph (g) amended official records to be maintained on the association’s website to include that unless a shorter period is required, a document must be made available on the association’s website or for download through a mobile device application within 30 days after the association receives or creates an official record.

Remember that beginning January 1, 2026, a condominium association with 25 or more units must have a website and comply with all of the statutory website requirements.

In addition to its previous official record posting requirements, an association must also post:

- The approved minutes of all board meetings over the preceding 12 months.
- The video recording or a hyperlink to the video recording for all meetings of the association, the board, any committee, and the unit owners which are conducted by video conference over the preceding 12 months.
- A copy of all affidavits required by F.S. 718.

**Subsection (13)**, Financial reporting amendments include:

As related to the delivery or availability of the condominium association's year-end financial report to not later than 180 days (previously 120 days) after the end of the fiscal year or other date as provided in the bylaws. Further delivery of the report or a notice that the most recent financial report will be delivered "*as requested by the owner*" including electronically delivered via the Internet. Proof of delivery is now required by an *affidavit* executed an officer or director of the association.

The statute was also amended to provide that an association may prepare a different level of financial reporting that requires, if approved by a majority vote of *all* the voting interests of the association. Previously this provision required a vote of a majority TVI present at a properly noticed meeting.

**Subsection (16)**, Investment of association funds, was added to F.S. 718.111:

Investment of association funds for condominiums, was added stating that for the board of directors of an association to fulfil their duty to managing operating and reserve funds, they must use best efforts to make prudent investment decisions, carefully considering the risk and return in an effort to maximize returns on invested funds. Focusing on growth, safety, and liquidity.

The association (including multicondominium associations) may invest reserve funds in one or any combination of certificates of deposit or in depository accounts at a community bank, savings bank, commercial bank, savings and loan association, or credit union without a vote of the unit owners.

**F.S. 718.112** was amended as follows:

Condominium associations meetings may be conducted in person or by *video conference*. A new definition for video conference has been added to F.S. 718.103 defining

it as a real-time audio and video-based meeting between two or more people in different locations using video-enabled and audio-enabled devices.

Any *meeting* that is to be conducted via video conference must include in the notice that the meeting will be via video conference and the notice must include a hyperlink and a conference telephone number for unit owners to attend the meeting via video conference. The meeting notice must also include the address of the physical location where the unit owners can attend the meeting in person. Meetings conducted via video conference must be recorded, and the recording must be maintained as an official record of the association. Meetings conducted via video conference must also be posted on the association website for associations that are required to maintain a website.

Additionally, board meetings may be conducted in person or by video conference. A board or committee member's participation in a meeting via telephone, real time video conferencing, or similar real-time electronic or video communication counts towards a quorum, and such members may vote as if physically present. A speaker must be used so that the conversation of such members may be heard by the board or committee members attending in person as well as by any unit owners present at a meeting.

Unit owner meetings, including the annual meeting of the unit owners, may be conducted in person or via video conference. If the annual meeting of the unit owners is conducted via video conference, a quorum of the members of the board of administration must be physically present at the physical location where unit owners can attend the meeting. The location must be provided in the association bylaws and, if the bylaws are silent as to the location, the meeting must be held within 15 miles of the condominium property or within the same county as the condominium property. If the unit owner meeting is conducted via video conference, the video conference must be recorded, and such recording must be maintained as an official record of the association.

Related to the **budget and budget meeting** –

A meeting of the board or unit owners at which a proposed annual association budget will be considered may be conducted by video conference. The division shall adopt rules governing the requirements for such meetings. A sound transmitting device must be used so that the conversation of such members may be heard by the board or committee members attending in person, as well as any unit owners present at the meeting.

A significant change was made relating to a proposed budget which exceeds 115 percent of the preceding fiscal year.

If a board proposes (previously adopted) an annual budget which exceeds 115 percent of assessments for the preceding fiscal year, the board shall simultaneously propose a substitute budget that does not include any discretionary expenditures that are not required to be in the budget.

- The substitute budget must be proposed at the budget meeting before the adoption of the annual budget.
- At least 14 days before such budget meeting in which a substitute budget will be proposed the board shall hand deliver to each unit owner, or mail to each unit owner at the address last furnished to the association, a notice of the meeting.
- Unit owners must (previously may) consider and may adopt a substitute budget at the meeting.
- A substitute budget is adopted if approved by a majority of all voting interests unless the bylaws require adoption by a greater percentage of voting interests.
- If a substitute budget is not adopted, the annual budget previously initially proposed by the board may be adopted.

The determination of whether assessments exceed 115 percent shall exclude any authorized provision for required reserves for repair or replacement of the condominium property, anticipated expenses of the association which the board does not expect to be incurred on a regular or annual basis for the annual repair, maintenance, or replacement of the items listed in paragraph (g), and insurance premiums. Paragraph (g) refers to those items required to be reserved as determined by the Structural Integrity Reserve Study. Omitted was the inclusion of expenses or assessments related to the betterments to the condominium property.

Related to budgeting for reserve accounts for capital expenditures and deferred maintenance, previously condominium and cooperative associations were required to budget for reserves components if the deferred maintenance or replacement cost exceeded \$10,000. This was amended to raise this threshold to \$25,000, with an inflationary component allowing for future increases.

If an association votes to terminate the condominium in accordance with s. 718.117, the members may vote to waive the maintenance of reserves recommended by the association's most recent structural integrity reserve study.

Added to subsection (f), annual budget, is paragraphs c.(I), (II), and (III):

- Reserves for the items specified as items required to

be reserved as determined by the Structural Integrity Reserve Study, now may be funded by regular assessments, special assessments, lines of credit, or loans.

- A special assessment, a line of credit, or a loan under this sub-subparagraph requires the approval of a majority vote of the total voting interests of the association.
- The line of credit or loan must be sufficient to fund the cumulative amount of any previously waived or unfunded portions of the reserve funding amount required by this paragraph and the most recent structural integrity reserve study.
  - Funding from the line of credit or loan must be immediately available for access by the board to fund required repair, maintenance, or replacement expenses without further approval by the members of the association.
  - A special assessment, a line of credit, or a loan secured under this sub-subparagraph and related details must be included in the annual financial statement that is required under F.S. 718.111(13) to be delivered to unit owners and required under F.S. 718.503 to be provided to prospective purchasers of a unit.
- This does not apply to associations controlled by a developer, an association in which the non-developer unit owners have been in control for less than one year, or an association controlled by one or more bulk assignees or bulk buyers.

If the local building official determines that the entire condominium building is uninhabitable due to a natural emergency, the board, may pause the contribution to its reserves or reduce reserve funding until the local building official determines that the condominium building is habitable. This previously required the approval of a majority of members.

Paragraph (e) of this subsection added the following provisions:

- For a budget adopted on or before December 31, 2028, if the association has completed a milestone inspection within the previous two calendar years, the board, upon the approval of a majority of the total voting interests of the association, may temporarily pause, for a period of no more than two consecutive annual budgets, reserve fund contributions or reduce the amount of reserve funding for the purpose of funding repairs recommended by the milestone inspection.
- This sub subparagraph does not apply to an association controlled by a developer as defined in s. 718.103, an association in which the non-developer unit owners have been in control for less than 1 year,

or an association controlled by one or more bulk assignees or bulk buyers as those terms are defined in s. 718.703.

- An association that has paused reserve contributions under this subparagraph must have a structural integrity reserve study performed before the continuation of reserve contributions in order to determine the association's reserve funding needs and to recommend a reserve funding plan.

**Subsection 4** was added as follows:

- An association's reserve accounts may be pooled for two or more required components. Reserve funding for required reserve components may only be pooled with other required reserve components. The reserve funding indicated in the proposed annual budget must be sufficient to ensure that available funds meet or exceed projected expenses for all components in the reserve pool based on the reserve funding plan or schedule of the most recent structural integrity reserve study. A vote of the members is not required for the board to change the accounting method for reserves to a pooling accounting method or a straight-line accounting method.

**Subsection 6** was added:

- The division shall annually adjust for inflation, based on the Consumer Price Index for All Urban Consumers released in January of each year, the minimum \$25,000 threshold amount for required reserves.
- By February 1, 2026, and annually thereafter, the division must conspicuously post on its website the inflation-adjusted minimum threshold amount for required reserves.

**Paragraph (g)** Structural integrity reserve study, item h was amended to read:

A residential condominium association must have a structural integrity reserve study completed at least every 10 years after the condominium's creation for each building on the condominium property that is three habitable stories or higher in height, as determined by the Florida Building Code, which includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building:

h. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$25,000 or the inflation-adjusted amount determined by the division under subparagraph (f)6., whichever is greater, and the failure to replace or maintain such item negatively affects the items listed in subparagraphs a.-g., as determined by the visual

inspection portion of the structural integrity reserve study. This was previously \$10,000.

Further, paragraph (g), 3.a. specifies that a structural integrity reserve study including the visual inspection portion of the structural integrity reserve study, must be performed or verified by an engineer licensed under chapter 471, an architect licensed under chapter 481, or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.

Regarding the design professional requirements, 3.b. added specific stipulations:

- Any design professional or any licensed contractor who bids to perform a structural integrity reserve study must disclose in writing to the association their intent to bid on any services related to any maintenance, repair, or replacement that may be recommended by the structural integrity reserve study.
  - Any design professional or licensed contractor who submits a bid to the association for performing any services recommended by the structural integrity reserve study may not have an interest, directly or indirectly, in the firm or entity providing the association's structural integrity reserve study or be a relative of any person having a direct or indirect interest in such firm, *unless* such relationship is disclosed to the association in writing.
  - As used in this section, the term *relative* means a relative within the third degree by blood or marriage.
  - A contract for services is voidable and terminates upon the association filing a written notice terminating the contract if the design professional or licensed contractor failed to provide the written disclosure of the interests or relationships required under this paragraph.
  - A design professional or licensed contractor may be subject to discipline under the applicable practice act for their profession for failure to provide the written disclosure of the interests or relationships required under this paragraph.

A structural integrity reserve study must now also provide a funding plan and include a recommendation for a reserve funding schedule based on a baseline funding plan that provides a reserve funding goal in which the reserve funding for each budget year is sufficient to maintain the reserve cash balance above zero. The study may recommend other types of reserve funding

schedules, provided that each recommended schedule is sufficient to meet the association's maintenance obligation.

4. b. added that If the structural integrity reserve study recommends reserves for any item for which reserves are not required under this paragraph, the amount of the recommended reserves for such item must be separately identified in the structural integrity reserve study as an item for which reserves are not required under this paragraph.

4.c. was added as follows: The structural integrity reserve study must take into consideration the funding method or methods used by the association to fund its maintenance and reserve funding obligations through regular assessments, special assessments, lines of credit, or loans. If the structural integrity reserve study is performed before the association has approved a special assessment or secured a line of credit or a loan, the structural integrity reserve study must be updated to reflect the funding method selected by the association and its effect on the reserve funding schedule, including any anticipated change in the amount of regular assessments. The structural integrity reserve study may be updated to reflect any changes to the useful life of the reserve items after such items are repaired or replaced, and the effect such repair or replacement will have on the reserve funding schedule. The association must obtain an updated structural integrity reserve study before adopting any budget in which the reserve funding from regular assessments, special assessments, lines of credit, or loans do not align with the funding plan from the most recent version of the structural integrity reserve study.

Paragraph 5 of this subsection was changed to include four-family dwellings with three or fewer habitable stories does not apply to the requirement of milestone inspections. This paragraph previously included only buildings less than three stories in height that were single-, two-, or three-family dwellings.

Paragraph 7 was amended to revise the requirement of milestone inspection deadline of December 31, 2024, to December 31, 2025. An association that is required to complete a milestone inspection in accordance with s. 553.899 on or before December 31, 2026, may complete the structural integrity reserve study simultaneously with the milestone inspection. In no event may the structural integrity reserve study be completed after December 31, 2026.

Paragraph 9 was added as follows: If the association completes a milestone inspection required by s.

553.899, or an inspection completed for a similar local requirement, the association may delay performance of a required structural integrity reserve study for no more than the 2 consecutive budget years immediately following the milestone inspection in order to allow the association to focus its financial resources on completing the repair and maintenance recommendations of the milestone inspection.

Paragraph 10 was amended to require that an officer or a director of an association must sign an affidavit acknowledging receipt of the completed structural integrity reserve study.

The division shall adopt by rule the form for the structural integrity reserve study in coordination with the Florida Building Commission.

**718.113** related to hurricane protection for condominium associations, was amended to clarify under what circumstances a unit owner or the association is responsible for removal and reinstallation costs of hurricane protection before it becomes an issue during a repair or renovation project. It is advisable that an association confer with their legal counsel concerning the interpretation of their existing declaration or the amendment to such provision in their declaration.

- Unless otherwise provided in the declaration as originally recorded, or as amended, a unit owner is not responsible for the cost of any removal or reinstallation of hurricane protection, including exterior windows, doors, or other apertures, if its removal is necessary for the maintenance, repair, or replacement of other condominium property or association property for which the association is responsible.
- Further, the board must determine if the removal or reinstallation of hurricane protection must be completed by the unit owner or the Association if the declaration as originally recorded, or as amended, does not specify who is responsible for such costs.

**F.S. 718.1265 association emergency powers**, as it relates to evacuation of condominium property for which a state of emergency is declared in the locale where the condominium is. This amendment removed the requirement of a mandatory evacuation leaving it as an evacuation and further adding that if a unit owner or other occupant fails or refuses to evacuate the condominium property that the board has required evacuation, the association is immune from liability or injury to those persons or property resulting from their failure or refusal to evacuate.

**F.S. 718.128** as to **voting**, an association conducting elections and other unit owner votes through an Internet-based online voting system. Subsection (4) was amended and subsections (6) and (7) were added.

Electronic voting is permitted if a unit owner consents, electronically or in writing, to online voting and if the following requirements are met:

The association that provides for and authorizes an online voting system pursuant to this section by a board resolution. If the board authorizes online voting, the board must honor a unit owner's request to vote electronically at all subsequent elections, unless such unit owner opts out of online voting. The board resolution must provide that unit owners receive notice of the opportunity to vote through an online voting system, must establish reasonable procedures and deadlines for unit owners to consent, electronically or in writing, to online voting, and must establish reasonable procedures and deadlines for unit owners to opt out of online voting after giving consent.

(6) If at least 25 percent of the voting interests of a condominium petition the board to adopt a resolution for electronic voting for the next scheduled election, the board must hold a meeting within 21 days after receipt of the petition to adopt such resolution. The board must receive the petition within 180 days after the date of the last scheduled annual meeting.

(7)(a) Unless the association has adopted electronic voting in accordance with the subsections above the association must designate an e-mail address for receipt of electronically transmitted ballots. Electronically transmitted ballots must meet all the requirements of this subsection.

(7)(b) A unit owner may electronically transmit a ballot to the e-mail address designated by the association without complying with F.S. 718.112(2)(d)4. or the rules providing for the secrecy of ballots adopted by the division. The association must count completed ballots that are electronically transmitted to the designated e-mail address, provided the completed ballots comply with the requirements of this subsection.

(7)(c) A ballot that is electronically transmitted to the association must include all of the following:

- A space for the unit owner to type in his or her unit number.
- A space for the unit owner to type in his or her first and last name, which also functions as the signature of the unit owner for purposes of signing the ballot.
- The following statement in capitalized letters and in a font size larger than any other font size used in the email from the association to the unit owner:

WAIVING THE SECRECY OF YOUR BALLOT IS YOUR CHOICE. YOU DO NOT HAVE TO WAIVE THE SECRECY OF YOUR BALLOT IN ORDER TO VOTE. BY TRANSMITTING YOUR COMPLETED BALLOT THROUGH EMAIL TO THE ASSOCIATION, YOU WAIVE THE SECRECY OF YOUR COMPLETED BALLOT. IF YOU DO NOT WISH TO WAIVE YOUR SECRECY BUT WISH TO PARTICIPATE IN THE VOTE THAT IS THE SUBJECT OF THIS BALLOT, PLEASE ATTEND THE IN-PERSON MEETING DURING WHICH THE MATTER WILL BE VOTED ON.

(7)(d) A unit owner must transmit his or her completed ballot to the email address designated by the association no later than the scheduled date and time of the meeting during which the matter is being voted on.

(7)(e) There is a rebuttable presumption that an association has reviewed all folders associated with the email address designated by the association to receive ballots if a board member, an officer, or an agent of the association, or a manager licensed under part VIII of chapter 468, provides a sworn affidavit attesting to such review.

Subsection (7) of section 718.203, Florida Statutes, is amended to read:

**718.203** Warranties. – Changes the reference from “residential condominium” to “condominium.”

(7) ~~Residential~~ Condominiums may be covered by an insured warranty program underwritten by a licensed insurance company registered in this state, provided that such warranty program meets the minimum requirements of this chapter; to the degree that such warranty program does not meet the minimum requirements of this chapter, such requirements shall apply.

Subsection (1) of section 718.301, Florida Statutes, is amended to read:

**718.301** Transfer of association control; claims of defect by association.

Beginning July 1, 2025, paragraphs (a), (c), (d), and (g) do not apply to nonresidential condominiums consisting of 10 or fewer units.

*These sections are noted below and will still apply to residential condominiums.*

(1) If unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer are entitled to elect at least one-third of the members of the board of administration of the association. Unit owners other than the developer are entitled to elect at least a majority of the members of the

board of administration of an association, upon the first to occur of any of the following events:

- (a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;
- (c) When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business;
- (d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business;
- (g) Seven years after the date of the recording of the certificate of a surveyor and mapper pursuant to s. 718.104(4)(e) or the recording of an instrument that transfers title to a unit in the condominium which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such unit, whichever occurs first; or, in the case of an association that may ultimately operate more than one condominium, 7 years after the date of the recording of the certificate of a surveyor and mapper pursuant to s. 718.104(4)(e) or the recording of an instrument that transfers title to a unit which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such unit, whichever occurs first.

The developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent, in condominiums with fewer than 500 units, and 2 percent, in condominiums with more than 500 units, of the units in a condominium operated by the association. After the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the association or selecting the majority members of the board of administration. Beginning July 1, 2025, paragraphs (a), (c), (d), and (g) do not apply to nonresidential condominiums consisting of 10 or fewer units.

Subsection (1) of section 718.302, Florida Statutes, was amended to read:

**718.302** Agreements entered into by the association. -

(a) If the association operates only one condominium and the unit owners other than the developer have assumed control of the association, or if unit owners other than the developer own at least 75 percent of the voting interests in the condominium or own at least 90 percent of the voting interests if the condominium is a nonresidential condominium consisting of 10 or fewer units, the cancellation ~~must~~ shall be by concurrence of the owners of at least 75 percent of the voting interests other than the voting interests owned by the developer. If a grant, reservation, or contract is so canceled and the unit owners other than the developer have not assumed control of the association, the association must make a new contract or otherwise provide for maintenance, management, or operation in lieu of the canceled obligation, at the direction of the owners of not less than a majority of the voting interests in the condominium other than the voting interests owned by the developer.

(b) If the association operates more than one condominium and the unit owners other than the developer have not assumed control of the association, and if unit owners other than the developer own at least 75 percent of the voting interests in ~~the condominiums~~ a condominium operated by the association or, beginning July 1, 2025, own at least 90 percent of the voting interests if the condominium is a nonresidential condominium consisting of 10 or fewer units, any grant, reservation, or contract for maintenance, management, or operation of buildings containing the units in that condominium or of improvements used only by unit owners of that condominium may be canceled by concurrence of the owners of at least 75 percent, or the owners of at least 90 percent if the condominium is a nonresidential condominium consisting of 10 or fewer units, of the voting interests in the condominium other than the voting interests owned by the developer. A grant, reservation, or contract for maintenance, management, or operation of recreational areas or any other property serving more than one condominium, and operated by more than one association, may not be canceled except pursuant to paragraph (d).

Section 15. Subsection (4) of section 718.407, Florida Statutes, is amended to read:

**718.407** Condominiums created within a portion of a building or within a multiple parcel building.—

(4)(a) The association of a condominium subject to this section may inspect and copy the books and records upon

which the costs for maintaining and operating the shared facilities are based and must receive an annual budget with respect to such costs.

(b) Within 60 days after the end of each fiscal year, the owner of a portion of a building that is not subject to the condominium form of ownership shall provide to the association a complete financial report of all costs for maintaining and operating the shared facilities. Such report must include copies of all receipts and invoices. If such owner fails to provide the report and copies of the receipts and invoices to the condominium association within the 60-day period, the division may impose penalties and otherwise enforce and ensure compliance with this subsection.

(c) Within 60 days after receipt of the complete financial report, the association may challenge any apportionment of costs for the maintenance and operation of the shared facilities. A challenge under this paragraph is governed by s. 720.311.

**F.S. 718.501**, related to the authority, responsibility and duties of the Division of Florida Condominiums, Timeshares, and Mobile Homes (Division) subsections (1) and (3) of F.S. 718.501, are amended, and paragraph (d) is added to subsection (2) of that section, to read:

(1) The division may enforce and ensure compliance with this chapter and rules relating to the development, construction, sale, lease, ownership, operation, and management of residential condominium units and complaints ~~related to the procedural completion of milestone inspections under s. 553.899~~. In performing its duties, the division has complete jurisdiction to investigate complaints and enforce compliance with respect to associations that are still under developer control or the control of a bulk assignee or bulk buyer pursuant to part VII of this chapter and complaints against developers, bulk assignees, or bulk buyers involving improper turnover or failure to turnover, pursuant to s. 718.301. However, after turnover has occurred, the division has jurisdiction to review records and investigate complaints related only to:

Paragraph a) the following changes and additions were made:

7. The procedural completion of structural integrity reserve studies under F.S. 718.112(2)(g) and the milestone inspections under s. 553.899.

8. Completion of repairs required by a milestone inspection under F.S. 553.899.

9. Any written inquiries by unit owners to the association relating to such matters, including written inquiries under F.S. 718.112(2)(a)2.

10. The requirement for associations to maintain an insurance policy or fidelity bonding for all persons

who control or disperse funds of the association under F.S. 718.111(11)(h).

11. Board member education requirements under F.S. 718.112(2)(d)5.b.

12. Reporting requirements for structural integrity reserve studies under subsection (3) and under F.S. 718.112(2)(g)12.

(2)(d) Each condominium association must create and maintain an online account with the division, as required in subsection (3).

(3) On or before October 1, 2025, all condominium associations must create and maintain an online account with the division and provide information requested by the division in an electronic format determined by the division. The division shall adopt rules to implement this subsection. The division may require condominium associations to provide such information no more than once per year, except that the division may require condominium associations to update the contact information in paragraph (a) within 30 days after any change. The division shall provide a condominium association at least a 45-day notice of any requirement to provide any information after the condominium association initially creates an online account. The information that the division may require from condominium associations is limited to:

(a) Contact information for the association that includes:

1. Name of the association.

2. The physical address of the condominium property.

3. Mailing address and county of the association.

4. Email address and telephone number for the association.

5. Name and board title for each member of the association's board.

6. Name and contact information of the association's community association manager or community association management firm, if applicable.

7. The hyperlink or website address of the association's website, if applicable.

(b) Total number of buildings and for each building in the association:

1. Total number of stories, including both habitable and uninhabitable stories.

2. Total number of units.

3. Age of each building based on the certificate of occupancy.

4. Any construction commenced within the common elements within the calendar year.

(c) The association's assessments, including the:

1. Amount of assessment or special assessment by unit type, including reserves.

2. Purpose of the assessment or special assessment.

3. Name of the financial institution or institutions with which the association maintains accounts.

(d) A copy of any structural integrity reserve study and any associated materials requested by the department within five business days after such request, in a manner prescribed by the department.

Paragraph (d) of subsection (1) and paragraphs (d) and (e) of subsection (2) of section 718.503, are amended to read:

**718.503** Developer disclosure prior to sale; non developer unit owner disclosure prior to sale; voidability.—

(1) DEVELOPER DISCLOSURE. –

*NOTE: The only change to this section changes all references of the words “prior to” to the word “before.”*

(2) NONDEVELOPER DISCLOSURE.

*NOTE: The following changes include the rescission period for a condominium resale:*

(d) Each contract entered into after July 1, 1992, for the resale of a residential unit ~~must shall~~ contain in conspicuous type either:

1. A clause which states:

THE BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION OF THE ASSOCIATION, BY LAWS AND RULES OF THE ASSOCIATION, A COPY OF THE MOST RECENT ANNUAL FINANCIAL STATEMENT AND ANNUAL BUDGET, AND FREQUENTLY ASKED QUESTIONS AND ANSWERS DOCUMENT MORE THAN 7-3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, ~~BEFORE PRIOR TO~~ EXECUTION OF THIS CONTRACT; or

2. A clause which states:

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 7-3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION, BYLAWS AND RULES OF THE ASSOCIATION, A COPY OF THE MOST RECENT ANNUAL FINANCIAL STATEMENT AND ANNUAL BUDGET, AND FREQUENTLY ASKED QUESTIONS AND ANSWERS DOCUMENT IF SO REQUESTED IN WRITING. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE

THAN 7-3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES THE DECLARATION, ARTICLES OF INCORPORATION, BYLAWS AND RULES OF THE ASSOCIATION, AND A COPY OF THE MOST RECENT YEAR-END FINANCIAL STATEMENT AND ANNUAL BUDGET INFORMATION AND FREQUENTLY ASKED QUESTIONS AND ANSWERS DOCUMENT IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

A contract that does not conform to the requirements of this paragraph is voidable at the option of the purchaser ~~before prior to~~ closing.

(e) . . . If the association has completed a milestone inspection as described in s. 553.899, a turnover inspection report for a turnover inspection performed on or after July 1, 2023, or a structural integrity reserve study, each contract entered into after December 31, 2024, for the resale of a residential unit shall contain in conspicuous type:

1. A clause which states:

THE BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 718.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2)(g), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 7-3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, ~~BEFORE PRIOR TO~~ EXECUTION OF THIS CONTRACT; and

2. A clause which states:

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 7-3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN

SECTION 718.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2)(g), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 7-3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 718.301(4)(p) AND (q), FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2)(g), FLORIDA STATUTES, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

A contract that does not conform to the requirements of this paragraph is voidable at the option of the purchaser before prior to closing.

## Cooperatives

**F.S. 719.104** Cooperatives; access to units; records; financial reports; assessments; purchase of leases. -

(13) Investment of association funds:

(a) A board shall, in fulfilling its duty to manage operating and reserve funds of its association, use best efforts to make prudent investment decisions that carefully consider risk and return in an effort to maximize returns on invested funds.

(b) An association may invest reserve funds in one or any combination of certificates of deposit or in depository accounts at a community bank, savings bank, commercial bank, savings and loan association, or credit union without a vote of the unit owners.

**F.S. 719.106** Bylaws; cooperative ownership.

(1) Mandatory provisions:

The bylaws or other cooperative documents shall provide for the following, and if they do not, they shall be deemed to include the following:

(j) Annual budget.

2.a. In addition to annual operating expenses, the budget must include reserve accounts for capital expenditures and deferred maintenance. These accounts must include, but not be limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other items for which the deferred maintenance expense or replacement cost exceeds \$25,000 or the inflation-adjusted amount determined by the division under subparagraph 6., whichever amount is greater-\$10,000. The amount to be reserved must be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the reserve item. In a budget adopted by an association that is required to obtain a structural integrity reserve study, reserves must be maintained for the items identified in paragraph (k) for which the association is responsible pursuant to the declaration, and the reserve amount for such items must be based on the findings and recommendations of the association's most recent structural integrity reserve study. With respect to items for which an estimate of useful life is not readily ascertainable or with an estimated remaining useful life of greater than 25 years, an association is not required to reserve replacement costs for such items, but an association must reserve the amount of deferred maintenance expense, if any, which is recommended by the structural integrity reserve study for such items. The association may adjust replacement reserve assessments annually to take into account an inflation adjustment and any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance.

d. If the local building official as defined in s. 468.603\*, determines that the entire cooperative building is uninhabitable due to a natural emergency as defined in s. 252.34\*\*, the board may pause the contribution to its reserves or reduce reserve funding until the local building official determines that the cooperative building is habitable. Any reserve account funds held by the association may be expended, pursuant to the board's determination, to make the cooperative building and its structures habitable. Upon the determination by the local building official that the cooperative building is habitable, the association must immediately resume contributing funds to its reserves.

3.a.(I) Reserves for the items identified in paragraph (g) may be funded by regular assessments, special assessments, lines of credit, or loans. A special assessment, a line of credit, or a loan under this subparagraph requires the approval of a majority vote of the total voting interests of the association.

\***468.603**, Miscellaneous Professions and Occupations, Part XII, Building code administrators and inspectors, **Definitions:**

(2) “Building code administrator” or “building official” means any of those employees of municipal or county governments, or any person contracted, with building construction regulation responsibilities who are charged with the responsibility for direct regulatory administration or supervision of plan review, enforcement, or inspection of building construction, erection, repair, addition, remodeling, demolition, or alteration projects that require permitting indicating compliance with building, plumbing, mechanical, electrical, gas, fire prevention, energy, accessibility, and other construction codes as required by state law or municipal or county ordinance. This term is synonymous with “building official” as used in the Florida Building Code. One person employed or contracted by each municipal or county government as a building code administrator or building official and who is so certified under this part may be authorized to perform any plan review or inspection for which certification is required by this part, including performing any plan review or inspection as a currently designated standard certified building official under an interagency service agreement with a jurisdiction having a population of 50,000 or less.

\*\***252.34**, Emergency Management, Definitions,

(8) “Natural emergency” means an emergency caused by a natural event, including, but not limited to, a hurricane, a storm, a flood, severe wave action, a drought, or an earthquake.

II. A unit-owner-controlled association that is required to have a structural reserve study may secure a line of credit or a loan to fund capital expenses required by a milestone inspection under s. 553.899 or a structural integrity reserve study. The lines of credit or loans must be sufficient to fund the cumulative amount of any previously waived or unfunded portion of the reserve funding amount required by this paragraph and the most recent structural integrity reserve study. Funding from the line of credit or loans must be immediately available for access by the board to fund required repair, maintenance, or replacement expenses without further approval by the members of the association. A special assessment, a line of credit, or a loan secured under this sub-subparagraph and related details must be included in the annual financial statement required under s.719.104(4) to be delivered

to unit owners and required under s. 718.503 to be provided to prospective purchasers of a unit.

b. For a budget adopted on or before December 31, 2028, if the association has completed a milestone inspection pursuant to s. 553.899 within the previous two calendar years, the board, upon the approval of a majority of the total voting interests of the association, may temporarily pause, for a period of no more than two consecutive annual budgets, reserve fund contributions or reduce the amount of reserve funding for the purpose of funding repairs recommended by the milestone inspection. This sub-subparagraph does not apply to a developer-controlled association and an association in which the non-developer unit owners have been in control for less than one year. An association that has paused reserve contributions under this sub-subparagraph must have a structural integrity reserve study performed before the continuation of reserve contributions in order to determine the association’s reserve funding needs and to recommend a reserve funding plan.

5. An association’s reserve accounts may be pooled for two or more required components. Reserve funding for components identified in paragraph (g) may only be pooled with other components identified in paragraph (g). The reserve funding indicated in the proposed annual budget must be sufficient to ensure that available funds meet or exceed projected expenses for all components in the reserve pool based on the reserve funding plan or schedule of the most recent structural integrity reserve study. A vote of the members is not required for the board to change the accounting method for reserves to a pooling accounting method or a straight-line accounting method.

6. The division shall annually adjust for inflation, based on the Consumer Price Index for All Urban Consumers released in January of each year, the minimum \$25,000 threshold amount for required reserves. By February 1, 2026, and annually thereafter, the division must conspicuously post on its website the inflation-adjusted minimum threshold amount for required reserves.

(k) Structural integrity reserve study. -

1. A residential cooperative association must have a structural integrity reserve study completed at least every 10 years for each building on the cooperative property that is three habitable stories or higher in height, as determined by the Florida Building Code, that includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building:

h. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$25,000 or the inflation-adjusted amount determined by the division

under subparagraph (j)6., whichever is greater, \$10,000 and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g., as determined by the visual inspection portion of the structural integrity reserve study.

2. A structural integrity reserve study is based on a visual inspection of the cooperative property.

3.a. A structural integrity reserve study may be performed by any person qualified to perform such study. However, including the visual inspection portion of the structural integrity reserve study, must be performed or verified by an engineer licensed under chapter 471, an architect licensed under chapter 481, or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.

b. Any design professional as defined in s. 558.002(7) or contractor licensed under chapter 489 who bids to perform a structural integrity reserve study must disclose in writing to the association his or her intent to bid on any services related to any maintenance, repair, or replacement that may be recommended by the structural integrity reserve study. Any design professional as defined in s. 558.002 or contractor licensed under chapter 489 who submits a bid to the association for performing any services recommended by the structural integrity reserve study may not have an interest, directly or indirectly, in the firm or entity providing the association's structural integrity reserve study or be a relative of any person having a direct or indirect interest in such firm, unless such relationship is disclosed to the association in writing. As used in this section, the term "relative" means a relative within the third degree of consanguinity by blood or marriage. A contract for services is voidable and terminates upon the association filing a written notice terminating the contract if the design professional or licensed contractor failed to provide the written disclosure of the relationship required under this paragraph. A design professional or licensed contractor may be subject to discipline under the applicable practice act for his or her profession for failure to provide the written disclosure of the relationship required under this subparagraph.

4.a. 3. At a minimum, a structural integrity reserve study must identify each item of the cooperative property being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of each item of the cooperative property being visually inspected, and provide a reserve funding schedule with a recommended annual reserve amount that achieves the estimated replacement cost or

deferred maintenance expense of each item of cooperative property being visually inspected by the end of the estimated remaining useful life of the item. The structural integrity reserve study may recommend that reserves do not need to be maintained for any item for which an estimate of useful life and an estimate of replacement cost cannot be determined, or the study may recommend a deferred maintenance expense amount for such item. At a minimum, the structural integrity reserve study must include a recommendation for a reserve funding schedule based on a baseline funding plan that provides a reserve funding goal in which the reserve funding for each budget year is sufficient to maintain the reserve cash balance above zero. The study may recommend other types of reserve funding schedules, provided that each recommended schedule is sufficient to meet the association's maintenance obligation.

b. The structural integrity reserve study may recommend that reserves for replacement costs do not need to be maintained for any item with an estimated remaining useful life of greater than 25 years, but the study may recommend a deferred maintenance expense amount for such item. If the structural integrity reserve study recommends reserves for any item for which reserves are not required under this paragraph, the amount of the recommended reserves for such item must be separately identified in the structural integrity reserve study as an item for which reserves are not required under this paragraph.

c. The structural integrity reserve study must take into consideration the funding method or methods used by the association to fund its maintenance and reserve funding obligations through regular assessments, special assessments, lines of credit, or loans. If the structural integrity reserve study is performed before the association has approved a special assessment or secured a line of credit or a loan, the structural integrity reserve study must be updated to reflect the funding method selected by the association and its effect on the reserve funding schedule, including any anticipated change in the amount of regular assessments. The structural integrity reserve study may be updated to reflect any changes to the useful life of the reserve items after such items are repaired or replaced, and the effect such repair or replacement will have on the reserve funding schedule. The association must obtain an updated structural integrity reserve study before adopting any budget in which the reserve funding from regular assessments, special assessments, lines of credit, or loans do not align with the funding plan from the most recent version of the structural integrity reserve study.

9. If the association completes a milestone inspection required by s. 553.899, or an inspection completed for a similar local requirement, the association may delay performance of a required structural integrity reserve study for no more than the two consecutive budget years immediately following the milestone inspection in order to allow the association to focus its financial resources on completing the repair and maintenance recommendations of the milestone inspection.

10.8: If the officers or directors of an association willfully and knowingly fail to complete a structural integrity reserve study pursuant to this paragraph, such failure is a breach of an officer's and director's fiduciary relationship to the unit owners under s. 719.104(9). An officer or a director of the association must sign an affidavit acknowledging receipt of the completed structural integrity reserve study.

13. The division shall adopt by rule the form for the structural integrity reserve study in coordination with the Florida Building Commission.

#### **F.S. 719.128, Association emergency powers**

(1) To the extent allowed by law, unless specifically prohibited by the cooperative documents, and consistent with s. 617.0830, the board of administration, in response to damage or injury caused by or anticipated in connection with an emergency, as defined in s. 252.34(4), for which a state of emergency is declared pursuant to s. 252.36 in the area encompassed by the cooperative, may exercise the following powers:

(i) Require the evacuation of the cooperative property in the event of a mandatory an evacuation order in the area in which where the cooperative is located or prohibit or restrict access to the cooperative property in the event of a public health threat. If a unit owner or other occupant of a cooperative fails or refuses to evacuate the cooperative property for which the board has required evacuation, the association is immune from liability for injury to persons or property arising from such failure or refusal.

#### **F.S. 719.501 Powers and duties of Division of Florida Condominiums, Time shares, and Mobile Homes. -**

(2)(c) A cooperative association shall create and maintain an online account with the division, as required in subsection (3).

(3) On or before October 1, 2025, all cooperative associations shall create and maintain an online account with the division and provide information requested by the division in an electronic format determined by the division. The division shall adopt rules to

implement this subsection. The division may require cooperative associations to provide such information no more than once per year, except that the division may require cooperative associations to update their contact information in paragraph (a) within 30 days after any change. The division shall provide a cooperative association at least a 45-day notice of any requirement to provide any required information after the cooperative association creates an online account. The information that the division may require associations to provide is limited to:

(a) The contact information for the association that includes all of the following:

1. The name of the association.
2. The physical address of the cooperative property.
3. The mailing address and county of the association.
4. The email address and telephone number for the association.
5. The name and board title for each member of the association's board.
6. The name and contact information of the association's community association manager or community association management firm, if applicable.
7. The hyperlink or website address of the association's website, if applicable.

(b) The total number of buildings and for each building in the association:

1. The total number of stories of each building, including both habitable and uninhabitable stories.
2. The total number of units.
3. The age of each building based on the certificate of occupancy.
4. Any construction commenced on the common elements within the previous calendar year.

(c) The association's assessments, including the:

1. Amount of assessment or special assessment by unit type, including reserves.
2. Purpose of the assessment or special assessment.
3. Name of the financial institution or institutions with which the association maintains accounts.

(d) A copy of any structural integrity reserve study and any associated materials requested by the department. The association must provide such materials within 5 business days after such request, in a manner prescribed by the department.

#### **F.S. 719.503 Disclosure prior to sale.**

*NOTE: Changes to this section include-replacing the word "prior to" with "before"; recission periods.*

(2) NONDEVELOPER DISCLOSURE. -

(c) Each contract entered into after July 1, 1992, for the resale of an interest in a cooperative shall contain in conspicuous type either:

1. A clause which states:

THE BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE ARTICLES OF INCORPORATION OF THE ASSOCIATION, BY LAWS, RULES OF THE ASSOCIATION, AND THE QUESTION AND ANSWER SHEET MORE THAN 7 3 DAYS, EXCLUDING SATURDAYS, AND LEGAL HOLIDAYS, ~~BEFORE PRIOR TO~~ EXECUTION OF THIS CONTRACT; or

2. A clause which states:

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 7- 3-DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE ARTICLES OF INCORPORATION, BY LAWS, AND RULES OF THE ASSOCIATION, AND QUESTION AND ANSWER SHEET, IF SO REQUESTED IN WRITING. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 7-3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES THE ARTICLES OF INCORPORATION, BY LAWS, RULES, AND QUESTION AND ANSWER SHEET, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

A contract that does not conform to the requirements of this paragraph is voidable at the option of the purchaser ~~before prior to~~ closing.

(d) 2. A clause which states:

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 7 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 719.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24)

AND 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 7-3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 719.301(4)(p) AND (q), FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND 719.106(1)(k), FLORIDA STATUTES, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

A contract that does not conform to the requirements of this paragraph is voidable at the option of the purchaser ~~before prior to~~ closing.

**914.21** Definitions. - As used in ss. 914.22-914.24, the term:

(3) "Official investigation" means any investigation instituted by a law enforcement agency or prosecuting officer of the state or a political subdivision of the state or the Commission on Ethics or the Division of Florida Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation.

**Reenacted Statutes**

For the purpose of incorporating an amendment made to specific sections of Florida Statutes, in reference thereto, the following have been **Reenacted**:

- For the purpose of incorporating the amendment made by this act to section 468.4335, Florida Statutes, paragraph (b) of subsection (2) of section 468.436, Florida Statutes,
  - **468.436** Disciplinary proceedings.
- For the purpose of incorporating the amendment made by this act to section 718.110, Florida Statutes, paragraph (b) of subsection (2) of section 718.106, Florida Statutes,
  - **718.106** Condominium parcels; appurtenances; possession and enjoyment
- For the purpose of incorporating the amendment made by this act to section 718.110, Florida Statutes, subsection (4) of section 718.117, Florida Statutes,
  - **718.117** Termination of condominium.

### Exemption.

- For the purpose of incorporating the amendment made by this act to section 718.110, Florida Statutes, paragraph (d) of subsection (1) of section 718.403, Florida Statutes,
  - **718.403** Phase condominiums.
- For the purpose of incorporating the amendment made by this act to section 718.110, Florida Statutes, subsection (4) of section 718.405, Florida Statutes,
  - **718.405** Multi condominiums; multi condominium associations.
- For the purpose of incorporating the amendment made by this act to section 718.111, Florida Statutes, paragraph (e) of subsection (3) of section 721.13, Florida Statutes, is reenacted to read:
  - **721.13** Management.
- For the purpose of incorporating the amendment made by this act to section 718.112, Florida Statutes, paragraph (a) of subsection (7) and paragraph (c) of subsection (21) of section 718.504, Florida Statutes,
  - **718.504** Prospectus or offering circular.
- For the purpose of incorporating the amendment made by this act to section 718.112, Florida Statutes, paragraph (d) of subsection (1) of section 718.618, Florida Statutes,
  - **718.618** Converter reserve accounts; warranties.
- For the purpose of incorporating the amendment made by this act to section 718.113, Florida Statutes, in a reference thereto, paragraph (e) of subsection (1) of section 718.115, Florida Statutes,
  - **718.115** Common expenses and common surplus.
- For the purpose of incorporating the amendments made by this act to sections 718.111, 718.112, and 718.503, Florida Statutes, subsections (1) and (3) of section 718.706, Florida Statutes,
  - **718.706** Specific provisions pertaining to offering of units by a bulk assignee or bulk buyer.
- For the purpose of incorporating the amendment made by this act to section 718.301, Florida Statutes, in a reference thereto, subsection (2) of section 718.705, Florida Statutes,
  - **718.705** Board of administration; transfer of control.
- For the purpose of incorporating the amendment made by this act to section 719.106, Florida Statutes, subsection (24) of section 719.103, Florida Statutes,
  - **719.103** Definitions.
- For the purpose of incorporating the amendment made by this act to section 719.106, Florida Statutes, in references thereto, paragraph (a) of subsection (7) and paragraph (c) of subsection (20) of section 719.504, Florida Statutes,
  - **719.504** Prospectus or offering circular. -

## Florida Statutes: Real Property - Condominium Flood Disclosures [Chapter 2025-166, SB 948, Effective October 1, 2025]

The bill requires a landlord of residential rental property or a mobile home park owner to disclose certain information regarding flood risks and past flooding of the property to prospective tenants. A tenant who does not receive the disclosures and who incurs substantial losses or damages due to flooding may terminate the lease and may be entitled to refund of advance rents paid if certain conditions are met. Similarly, the bill requires the developer of a condominium or cooperative to disclose information relating to flood risks and past flooding of the property in a contract for the sale or long-term rental of a condominium or cooperative unit. Lastly, the bill expands the flood-related disclosures required under current law that must be provided to a prospective purchaser of residential real property. The bill requires the seller to disclose whether he or she is aware of any flood damage that occurred during his or her ownership and whether he or she has received assistance from any source for flood damage to the property, as opposed to just federal sources.

The bill also created F.S. 83.512; requiring a landlord of residential real property to provide specified information to a prospective tenant at or before the time the rental

agreement is executed; providing that if a landlord fails to disclose flood information truthfully and a tenant suffers substantial loss or damage, the tenant may terminate the rental agreement by giving a written notice of termination and surrendering possession of the premises to the landlord within a specified timeframe; amending F.S. 689.302, 718.503, 719.503, 723.011 revising the flood information that must be disclosed to prospective purchasers of residential real property; requiring a developer of a residential condominium, cooperative unit, and park owner of a mobile home part to provide specified information to a prospective purchaser/lessee at or before the time the sales contract is executed.

**F.S. 83.512** Disclosure of flood risks to prospective tenant of residential real property.

(1) A landlord must complete and provide a flood disclosure to a prospective tenant of residential real property at or before the execution of a rental agreement for a term of 1 year or longer. The flood disclosure must be in a separate document. The flood disclosure must be made in substantially the following form:

**F.S. 689.302** Disclosure of flood risks to prospective

purchaser. A seller must complete and provide a flood disclosure to a purchaser of residential real property at or before the time the sales contract is executed. The flood disclosure must be made in the form as described in statute, **adding** to the disclosure form the following:

(1) Seller has  has no  knowledge of any flooding that has damaged the property during Seller's ownership of the property

Paragraph (a) of subsection (1) of F.S. 718.503 is amended to read: 718.503 Developer disclosure prior to sale; non-developer unit owner disclosure prior to sale; voidability.

(1) DEVELOPER DISCLOSURE.

(a) Contents of contracts. - Any contract for the sale of a residential unit or a lease thereof for an unexpired term of more than 5 years shall: (Added):

**F.S. 718.503** and **F.S. 719.503** Added to Developer disclosure prior to sale:

9. Contain within the text the following statement in conspicuous type:

HOMEOWNERS' INSURANCE POLICIES DO NOT INCLUDE COVERAGE RESULTING FROM FLOODING. BUYER IS ENCOURAGED TO DISCUSS THE NEED TO PURCHASE SEPARATE FLOOD INSURANCE COVERAGE WITH BUYER'S INSURANCE AGENT. DEVELOPER HAS  HAS NO  KNOWLEDGE OF ANY FLOODING THAT HAS DAMAGED THE PROPERTY DURING THE DEVELOPER'S OWNERSHIP OF THE PROPERTY. DEVELOPER HAS  HAS NOT

FILED A CLAIM WITH AN INSURANCE PROVIDER RELATING TO FLOOD DAMAGE ON THE PROPERTY OR COMMON ELEMENTS, INCLUDING, BUT NOT LIMITED TO, A CLAIM WITH THE NATIONAL FLOOD INSURANCE PROGRAM.

DEVELOPER HAS  HAS NOT  RECEIVED ASSISTANCE FOR FLOOD DAMAGE TO THE PROPERTY OR COMMON ELEMENTS, INCLUDING, BUT NOT LIMITED TO, ASSISTANCE FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY. FOR THE PURPOSES OF THIS DISCLOSURE, THE TERM "FLOODING" MEANS A GENERAL OR TEMPORARY CONDITION OF PARTIAL OR COMPLETE INUNDATION OF THE PROPERTY OR COMMON ELEMENTS CAUSED BY THE OVERFLOW OF INLAND OR TIDAL WATERS; THE UNUSUAL AND RAPID ACCUMULATION OF RUNOFF OR SURFACE WATERS FROM ANY ESTABLISHED WATER SOURCE, SUCH AS A RIVER, STREAM, OR DRAINAGE DITCH; OR SUSTAINED PERIODS OF STANDING WATER RESULTING FROM RAINFALL.

**F.S. 723.011** Disclosure prior to rental of a mobile home lot; prospectus, filing, approval.

(6)(a) A mobile home park owner must complete and provide a flood disclosure to a prospective lessee of a mobile home lot. Delivery must be made prior to execution of the lot rental agreement or at the time of occupancy, whichever occurs first. The flood disclosure must be in a separate document. The flood disclosure must be made in substantially the following form:

## ADDITIONAL LAWS PASSED IN 2025

### Florida Statutes: Dangerous Dogs [Chapter 2025-61, HB 593, Effective July 1, 2025]

**F.S. 767**, Damage by dogs; Dangerous dogs was amended to read:

#### This act may be cited as the "Pam Rock Act."

This amendment refers to a Florida mail carrier who was attacked and savagely mauled by a pack of dogs. The victim succumbed to her fatal injuries a day later.

We find it relevant to address these changes because community associations are often subject to various instances of injury, damages, and death based on events of animal versus animal and animal versus human. A CAM should be aware of this law. Amendments to F.S. 767 were made throughout the statute including the following:

**F.S. 767 Part II, Dangerous Dogs.** -

(1) A dog owner is ~~Owners of dogs shall be~~ liable for any damage done by ~~the owner's dog their dogs~~ to a person or to any animal included in the definitions of "domestic animal" and "livestock" as provided by s. 585.01.

(2) If a dog owner has knowledge of the dog's dangerous propensities, the owner must securely confine the dog in a proper enclosure as defined in s. 767.11.

**F.S. 767.11 Definitions.**

(3) "Dangerous dog" means a ~~any~~ dog that according to the records of the appropriate authority:

(4) "Owner" means a ~~any~~ person, a firm, a corporation, or an organization possessing, harboring, keeping, or having control or custody of an animal or, if the animal is owned

by a person under the age of 18, that person's parent or guardian.

(5) "Proper enclosure of a dangerous dog" means, while on the owner's property, a dangerous dog is securely confined indoors or in a securely enclosed and locked pen or structure, suitable to prevent the entry of young children and designed to prevent the dog animal from escaping. ~~Such~~ The pen or structure must ~~shall~~ have secure sides and a secure top to prevent the dog from escaping over, under, or through the structure and must ~~shall~~ also provide protection from the elements.

### **Florida Statutes: Lodging and Food Service Establishments [Chapter 205-113, SB 606, Effective July 1, 2025]**

F.S. 509, Lodging and Food Service Establishments, was amended as follows:

License classifications of public lodging establishments, and the definitions are set out in 509.242. Because the amended sections include reference to timeshare projects, we bring this to the attention of community association managers and managing entities who may be serving timeshare plans, governed by Chapter 721, Florida Statutes. Related to licensure, the term *does not include condominium common elements* as defined in s. 718.103.

#### **Defines transient and non-transient occupancy:**

(12) "Transient occupancy" means occupancy that is when it is the intention of the parties that the occupancy will be temporary. The term includes the occupancy of a dwelling unit at a hotel, motel, vacation rental, bed

### **Florida Statutes: My Safe Florida Condominium Pilot Program [Chapter 205-173, HB 393, Effective June 23, 2025]**

F.S. 215.55871, The amended statute revised definition of the term "condominium" and limits participation in program:

**215.55871 My Safe Florida Condominium Pilot Program.** There is established within the Department of Financial Services the My Safe Florida Condominium Pilot Program to be implemented pursuant to appropriations. The department shall provide fiscal accountability, contract management, and strategic leadership for the pilot program, consistent with this section. This section does not create an entitlement for associations or unit owners or obligate the state in any way to fund the inspection or retrofitting of condominiums in the state. Implementation of this pilot program is subject to annual legislative appropriations. It is the intent of the Legislature that the My Safe Florida Condominium Pilot Program provide licensed inspectors to perform inspections for and grants to eligible associations as funding allows.

(1) **DEFINITIONS.** As used in this section, amended as

F.S. 767.12 Classification of dogs as dangerous.

~~Owner requirements; penalty certification of registration; notice and hearing requirements; confinement of animal; exemption; appeals; unlawful acts.~~

(a) An animal that is the subject of a dangerous dog investigation and that has killed a human being or has bitten a human being and left a bite mark that scores 5 or higher on the Dunbar bite scale must ~~because of severe injury to a human being may~~ be immediately confiscated by an animal control authority.

and breakfast inn, or timeshare project, as defined in s. 509.242, unless a written rental or lease agreement expressly states that the dwelling unit is the sole residence of the guest. There is a rebuttable presumption that, when the dwelling unit occupied is not the sole residence of the guest, the occupancy is transient.

(15) "Non-transient occupancy" means occupancy that is not when it is the intention of the parties that the occupancy will not be temporary. The term does not include the occupancy of a dwelling unit at a hotel, motel, vacation rental, bed and breakfast inn, or timeshare project, as defined in s. 509.242, unless a written rental or lease agreement expressly states that the dwelling unit is the sole residence of the guest. There is a rebuttable presumption that, when the dwelling unit occupied is the sole residence of the guest, the occupancy is non-transient.

follows: (d) "Condominium" has the same meaning as in s.718.103. For purposes of this section, the term does not include detached units on individual parcels of land.

(2) **PARTICIPATION.** (a) Participation in the pilot program is limited to structures or buildings on the condominium property which are three or more stories in height, provided that each structure or building that is the subject of a mitigation grant contains at least two single-family dwellings.

(b) In order to apply for an inspection under subsection (4) or a grant under subsection (5) for association property or condominium property, an association must receive approval by a majority vote of the board of administration or a majority vote of the total voting interests of the association to participate in the pilot program. An association may not apply for an inspection under subsection (4) or a grant under subsection (5) for association property or condominium property unless the association has complied with the inspection

requirements in ss. 553.899 and 718.112(2)(g) and (h). An association may not apply for a grant under subparagraph (5)(e) 1. for association property or condominium property unless the windows of the association property or condominium property are established as common elements in the declaration.

2. Approval by at least 75 percent A unanimous vote of all unit owners who reside within the structure or building that is the subject of the mitigation grant.

(d) Grant projects shall be funded as follows:

1. All grants must be matched on the basis of \$1 provided by the association for \$2 provided by the state toward the actual cost of the project.

3.(e) Grant funds may only be used for water intrusion mitigation devices or mitigation improvements that will result in a mitigation credit, discount, or other rate differential for the building or structure to which such device or improvement is applied or made. When recommended by a hurricane mitigation inspection report, grants for eligible associations may be used for the following improvements:

1. Opening protection improvements, including all of the following:

a. Exterior doors.

b. Garage doors.  
c. Windows. And  
d. Skylights.

2. Roof improvements, including all of the following:

a. ~~2.~~ Reinforcing roof-to-wall connections.

b. ~~3.~~ Improving the strength of roof-deck attachments.

c. ~~4.~~ Installing secondary water resistance for the roof.

d. Replacing the roof covering.

(f) Improvements must be identified in the final hurricane mitigation inspection in order for an association to receive grant funds. Grants may be used for a previously inspected existing structure on the property.

2(j) Grant funds may only be awarded for a mitigation improvement that will result in a mitigation credit, discount, or other rate differential for the building or structure to which the improvement is made. As a condition of awarding a grant, the department must require mitigation improvements to be made to all openings, including exterior doors, garage doors, windows, and skylights, if doing so is necessary for the building or structure to qualify for a mitigation credit, discount, or other rate differential.

## **Fire Prevention [Chapter 2025-115, HB 551, Effective July 1, 2025]**

An act relating to fire prevention; amending F.S. 553.7932, (Building Constructions Standards, Simplified Permitting Process); Altering definitions; amending F.S. 633.202, (Fire Prevention and Control, Florida Fire Prevention Code), providing that a county or municipality may only enforce an ordinance that has been sent to the Florida Building Commission and the State Fire Marshal as of a certain date; amending F.S. 633.312; requiring a uniform summary inspection report to include specified information; removing the requirement for a brief summary of deficiencies; requiring a contractor's detailed inspection report to be provided with a uniform summary inspection report; removing an exception from submitting certain information within a detailed inspection report; providing an effective date.

Paragraphs (a) through (d) of subsection (1) of F.S. 553.7932, are redesignated as paragraphs (b) through (e), respectively, present paragraph (c) of subsection (1), subsections (3) and (4), and paragraphs (a) and (b) of subsection (5) are amended, and a new paragraph (a) is added to subsection (1) and subsections (6) and (7) are added to that section, to read:

**F.S. 553.7932** Simplified permitting processes. –

(1) As used in this section, the term:

(a) “Alteration” means to add, install, relocate, replace, or remove.

(d)(c) “Fire alarm system project” means a fire alarm system alteration of a total of 20 or fewer initiating devices and notification devices; or the installation or replacement of a fire communicator connected to an existing fire alarm control panel in an existing commercial, residential, apartment, cooperative, or condominium building; or the replacement of an existing fire alarm panel using the same make and model as the existing panel.

(3) A local enforcement agency must issue a permit for a fire alarm system project or fire sprinkler system project in person or electronically within two business days after submission of a completed application. A contractor may commence work authorized by the permit immediately after submission of a completed application.

(4) The a-local enforcement agency must provide an inspection within three business days after such inspection is requested, require at least one inspection of a fire alarm system project or fire sprinkler system project to ensure compliance with applicable codes and

standards. If a fire alarm system project or fire sprinkler system project fails an inspection, the contractor must take corrective action as necessary to pass inspection.

(5)(a) For a fire alarm system project, a contractor must keep a copy of the plans and specifications at the fire alarm system project work site and make such plans and specifications available to the inspector for an on site plans review at each inspection. If the local enforcement agency determines that it needs additional documents for recording purposes, the contractor must provide such documentation in paper or electronic form to the local enforcement agency within four business days after the inspection or four days after the documentation is requested, whichever is later. The local enforcement agency may not require additional plans reviews or documentation of areas or devices outside the scope of permitted work, as needed on permit applications.

(b) For a fire sprinkler system project ~~to alter an existing fire protection system~~, a contractor must keep a copy of the plans and specifications at the fire sprinkler system project work site and make such plans and specifications available to the inspector at each inspection. If the local enforcement agency determines that it needs additional documents for recording purposes, the contractor must provide such documentation in paper or electronic form to the local enforcement agency within four business days after the inspection or four days after the documentation is requested, whichever is later. The local enforcement agency may not require additional plans, reviews, or documentation of areas or devices outside the scope of permitted work, as needed on permit applications.

(6) A local government that fails to meet a deadline under subsection (3) or subsection (4) must refund the permit fee by 10 percent for each business day after such failure, unless the local government and contractor agree in writing to a reasonable extension of time, the delay is caused by the applicant, or the delay is attributable to a force majeure or other extraordinary circumstances. Each 10-percent refund shall be based on the original amount of the permit fee.

(7) By October 1, 2025, a local enforcement agency must establish a simplified permitting process that complies with this section.

**F.S. 633.202** Florida Fire Prevention Code. -

(9)(a) The State Fire Marshal shall make rules that implement this section and ss. 633.104 and 633.208 for the purpose of accomplishing the objectives set forth in those sections.

(b) A county or municipality may only enforce an ordinance providing for a local amendment to the Florida Fire Prevention Code if such ordinance was transmitted to the Florida Building Commission and the State Fire Marshal pursuant to subsection (8) as of the date that the permit was submitted.

**F.S. 633.312** Inspection of fire control systems, fire hydrants, and fire protection systems. -

(3)(b) The State Fire Marshal shall adopt rules to implement a uniform summary inspection report and submission procedures to be used by all third-party vendors and local authorities having jurisdiction. For purposes of this section, a uniform summary inspection report must record the address at which where the fire protection system or hydrant is located, the company and person conducting the inspection and their license number, the date of the inspection, and the fire protection system or hydrant inspection status, including the total number of deficiencies found, separated into critical and noncritical categories, and a brief description of impairment deficiencies. a brief summary of each deficiency, critical deficiency, noncritical deficiency, or impairment found. A contractor's detailed inspection report must also be provided, but is not required to follow the uniform summary inspection report format. The State Fire Marshal shall establish by rule a submission procedure for each means provided under paragraph (a) by which a local authority having jurisdiction may accept uniform summary inspection reports. Each of the submission procedures must allow a contractor to attach additional documents with the submission of a uniform summary inspection report, including a physical copy of the contractor's detailed inspection report. A submission procedure may not require a contractor to submit information contained within the detailed inspection report. ~~unless the information is required to be included in the uniform summary inspection report.~~

## Affordable Housing [Chapter 2025-172, HB 1730, Effective July 1, 2025]

The bill amends various provisions of the Live Local Act, passed in 2023 Regular Session, related to the preemption of certain zoning and land use regulations to authorize affordable housing developments.

The bill provides that an applicant in the process of utilizing the Live Local Act prior to the amendments may opt to utilize the law as it existed upon their initial application.

Outside of the Live Local Act, the bill also authorizes local governments to approve affordable housing development on land owned by a religious institution containing a house of worship regardless of underlying zoning.

The bill enacts a state policy related to supporting public sector, health care facility, and hospital employer-sponsored housing to meet a federal requirement related to tax-advantaged funding.

## Property Rights - Remove Unauthorized Person [Chapter 2025-112, SB 322, Effective July 1, 2025]

The bill creates a nonjudicial procedure for a property owner to request that the county sheriff remove an unauthorized person from **commercial real property**. This procedure is like procedures in existing law for the removal of an unauthorized person from a residential property. It provides that an owner of commercial property may request that the sheriff immediately remove an unauthorized person from the owner's property. An unauthorized person is someone not authorized to occupy the property who is not a current or former tenant.

Additionally, the bill expands crimes relating to unlawfully occupying a residential dwelling or

fraudulently advertising residential property for sale or lease to include commercial properties.

The procedures in the bill are like procedures enacted during the 2024 Legislative Session for the removal of an unauthorized person from a residential dwelling. The bill also amends that 2024 enactment to add an express grant of authority to a sheriff to use reasonably necessary force to enter a property and corrects a cross-reference.

Created F.S. 82.037, Limited alternative remedy to remove unauthorized persons from **commercial** real property. Like F.S. 82.036, Limited alternative remedy to remove unauthorized persons from **residential** real property.

## Electronic Delivery of Notices Between Landlords and Tenants [Chapter 2025-16, HB 615, Effective July 1, 2025]

An act relating to electronic delivery of notices between landlords and tenants; creating F.S. 83.505; amending F.S. 83.49, 83.50, 83.51, 83.56, and 83.575.

The bill authorizes and regulates the electronic delivery of notices between landlords and tenants. It creates F.S. 83.505 that allows both parties to deliver notices via email, if they agree to do so in an addendum to the rental agreement. This addendum must clearly state that the election to use electronic delivery is voluntary, and it must include the designated email addresses for each party. Either party may revoke their consent to electronic delivery or update their email address at any time by providing written notice, with such changes taking effect upon delivery of the notice. Any notice sent by email is considered delivered at the time it is sent, unless it is returned as undeliverable. HB 615 also clarifies that electronic delivery does not prevent the use of other legally permitted methods of notice delivery.

The Bill amends several sections of the Florida Statutes to align with the new provisions regarding electronic notice. For example, F.S. 83.49 that deals with security deposits and advance rent, is amended to allow landlords to provide certain written notices to tenants by email in accordance with the new statute. The required disclosure language for tenants is revised to reflect that notices may be delivered in person, by mail, or by email. The procedures for notifying tenants of claims against security deposits and for tenants to provide notice before vacating or abandoning premises are also updated to include email as an option. Similarly, F.S. 83.50, 83.505, 83.56, and 83.575 have been amended to reference the new electronic notice provisions. The new law emphasizes that the use of email for notice delivery is optional and subject to the agreement of both parties, and it preserves the validity of notices sent prior to any revocation of consent.

## COURSE SUMMARY

Thank you for joining us for the Legal Updates for 2025 and 2026. There was a lot added to all segments of community association laws while some deletions based on their obsolescence and minor changes based on better clarifying the existing section, paragraph, or phrase. The section titled "Reenacted," was intended to explain how a

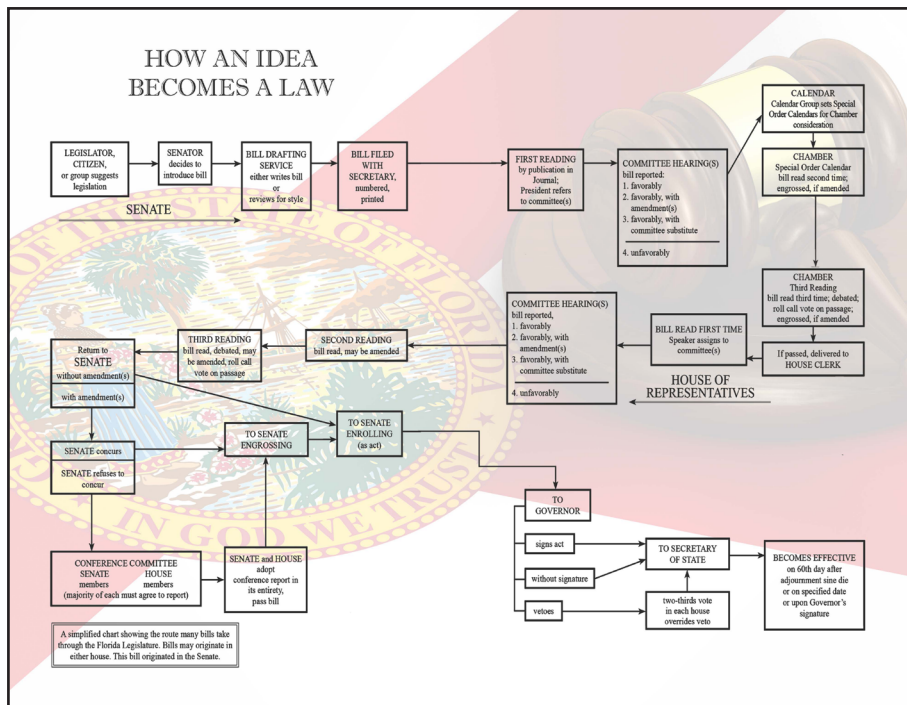
change in one part can affect the remainder of the section unless a provision to restore/maintain other important parts.

We enjoyed taking you on the journey from an idea to signed into law, and hope you did too. Accessing FLHouse.gov can often be a valuable tool for a CAM and management firms as new bills are filed, introduced, and

tracked their progress.

You'll find a quick 10-question quiz in the front of the book. We hope this course helps you in your continuing CAM career!

Legal Update 2025-2026 Chart of Legislative and Administrative Codes			
2024 Legislative Session - Recap of Laws Passed			
Laws of Florida	Bill	Title	Effective Date
Chapter 2024-205	HB 293	Hurricane Protection - HOA	May 28, 2024
Chapter 2024-221	HB 1203	Homeowners' Associations	July 1, 2024
Chapter 2024-202	HB 59	Provision of HOA Rules and Covenants	July 1, 2024
Chapter 2024-108	HB 1029	My Safe Florida Condominium Pilot Program	July 1, 2024
Chapter 2024-244	HB 1021	Community Associations	July 1, 2024
Chapter 2024-189	SB 382	Continuing Education Requirements	July 1, 2024
2025 Legislative Session - Laws Passed			
Laws of Florida	Bill	Title	Effective Date
Chapter 2025-6	SB 42	Florida Statutes	August 15, 2025
Chapter 2025-61	HB 593	Dangerous Dogs – “The Pam Rock Act”	July 1, 2025
Chapter 2025-113	SB 606	Restaurants and Hotels and Food Service Establishments	July 1, 2025
Chapter 2025-173	HB 393	My Safe Florida Condo Pilot Program	June 23, 2025
Chapter 2025-142	HB 897	Timeshare Management Firms	July 1, 2025
Chapter 2025-175	HB 913	Condominium and Cooperative Associations	July 1, 2025
Chapter 2025-115	HB 551	Fire Prevention	July 1, 2025
Chapter 2025-16	HB 615	Electronic Delivery of Notices Between Landlords and Tenants	July 1, 2025
Chapter 2025-172	SB 1730	Affordable Housing	July 1, 2025
Chapter 2025-112	SB 322	Property Rights	July 1, 2025
Chapter 2025-166	SB 948	Real Property Condominium Flood Disclosures	October 1, 2025



<https://www.flsenate.gov/PublishedContent/ADMINISTRATIVEPUBLICATIONS/idea-to-law.pdf>

# Records Management for HOAs

## 3 Hours of CE Credits (HR or ELE and EH-1)

Approval: Correspondence #9633800  
Distance/Online #9633802

Expiration: 10/15/2027  
Expiration: 10/15/2027

### Course Overview

This course examines various sections of Florida Statute 720 as well as F.S. 468 statutory professional practice standards of community association managers (CAM) and community association management firms. Specifically, how they apply to the records and records management operations of homeowners' associations. The course includes discussion of what CAMs should be aware of while in service to homeowners' associations related to record keeping. This course is intended

to satisfy the DBPR's requirement for those who manage homeowners' associations to fulfil five hours of continuing education in homeowners' association specific information, specifically, three hours related to record keeping and two hours that relate to homeowners' associations. The course also provides three hours of continuing education credit for CAMs who are not homeowners' association managers.

### Learning Objectives

- Understand the many areas with which a CAM must concern themselves related to HOA records and maintenance of such records.
- Recognize the importance placed on record keeping by Florida statute.
- Understand how a CAM can provide guidance in various association duties and processes to help achieve the association's obligations of record maintenance and inspection.
- Understand provisions related to meetings, elections, and fraudulent voting activities.
- Recognize how the components and events discussed in this course portray existing records or those that may become records that the HOA is responsible for maintaining.

## INTRODUCTION

Maintaining records is a vital duty for all types of organizations, businesses, and corporations. Since October 1, 1995, an association that operates a community as defined in F.S. 720.301 must be operated by an association that is a Florida corporation. Thus, one of the duties of a homeowners' association (the corporation) is to properly maintain its official records.

The gathering and maintenance of the HOA's records is an obligation that begins with the first board, usually the developer, passed on to the association through all subsequent boards. If the association retains the services of other authorized agents, such as a CAM or community association management firm, those entities are also regarded as having the responsibility to maintain the existing records and all subsequent information, documentation, and materials that will become association records.

Even though the office of the board secretary is described as, "The keeper and point person for all corporate documents," which means they are responsible for ensuring that records are handled properly; by statute, all board directors, officers, and their authorized agents have the responsibility to ensure proper maintenance of the records of the association.

This course is divided into four parts:

**PART 1:** General discussion of the importance and extent of record keeping.

**PART 2:** Official records and their maintenance (i.e., record keeping)

**PART 3:** Websites and mobile applications requirements for homeowners' associations.

**PART 4:** Inspection and copying records.



*Hello, I'm Sam. I've been a CAM for 25 years. When it comes to record keeping, I've seen it all! Good record keeping, bad record keeping, and no record keeping. In the introduction, we mentioned the board secretary's responsibility. This doesn't mean that the secretary will keep the records of the association in their garage. It implies that the secretary is responsible for assuring that the records are kept in compliance with statutes and the association's governing documents. This means that the CAM and/or management firm of a community association will work closely with the secretary to ensure that their responsibility is being carried out*

# PART 1: GENERAL DISCUSSION - IMPORTANCE OF RECORD KEEPING

## Professional Practice Standards

F.S. 468.4334, as applied to professional practice standards liability of community association management services, requires that the official records of an association be returned to the association within 20 business days after termination of a contract agreement providing community association management services or receipt of written request (whichever occurs first).

If the CAM or management firm fails to return the official records within the set time, they are subject to suspension of their license and a civil penalty of \$1,000 per day for up to 10 business days, beginning the 21st day after termination or receipt of written request from the association.

A CAM or management firm may not deny or delay access to the association's official records to a parcel owner or their authorized representative. They may not create false records or alter the official records, and they may not fail to maintain the records for the CAM or management company or any official records of the association.

The following are provisions outlined in F.S. 720.303 concerning the powers and duties of an association, including record keeping, and identifying the official records of HOAs. Throughout this course, homeowners' association and HOA mean the same.

### Powers and Duties

An association that operates a community as defined in F.S. 720.301 must be a Florida corporation. After October 1, 1995, the association must be incorporated, and the initial governing documents must be recorded in the official records of the county in which the community is located.

An association may operate more than one community, and in Florida this is fairly common. A large-scale community may be comprised of several subdivisions. Regardless of whether the HOA is a small, medium-sized, or large-scale community with multiple subdivisions, Florida law is clear that all community associations are responsible for maintaining the records of the association.

It's not sufficient to maintain a copy of the declaration, articles of incorporation, and bylaws alone. The officers and directors of an association are subject to F.S.

617.0830 (corporation not for profit, general standards for directors) and have a fiduciary relationship with the members who are served by the association. The powers and duties of an association include, but are not limited to, calling meetings of the board of directors for the HOA.

Everything from the notice of a meeting to the minutes of that meeting and all materials necessary for that meeting (such as bids, contracts, reports, and communications)

become records of the association, which is the responsibility of the board of directors to ensure they are properly maintained.

Members of the board may use email as a means of communication but may not cast a vote on an association matter via email. A decision that must be made by the board of directors is required to cast their votes at a duly called board meeting at which a quorum is present.

### Closed Meetings

Meetings of the board must be open to all members, except for meetings between the board and its attorney regarding proposed or pending litigation (attorney-client privilege), or if the meeting is being held to discuss personnel matters. Closed meetings still must be posted. The posted notice may indicate that due to the nature of the business to be discussed, the meeting is not open to members (or similar language).

#### CLOSED BOARD MEETING NOTICE EXAMPLE

**Pleasanton Homeowners' Association  
Board of Directors Meeting**

August 14, 20xx at 4:00 PM

Recreation Center

700 De Azire Verde Blvd., Boca Raton, FL 33484

**Purpose:** Discussion with association attorney regarding potential litigation against painting vendor, Good Painting.

**DUE TO THE CONFIDENTIAL NATURE OF THE MEETING, IT IS CLOSED TO MEMBERS**

A meeting of the board must be held at a location that is accessible to a physically disabled person if requested by a physically disabled person who has a right to attend the meeting.

Members have the right to attend all meetings of the board. This includes the right of the attending members to speak with reference to all designated items (i.e., on an agenda). The association may adopt written reasonable rules expanding the right of members to speak and governing the frequency, duration, and other manner of member statements. These rules may include a sign-up sheet for members wishing to speak.



*Remember, these written adopted rules are what? Right, records of the association. Everything that we've mentioned so far is or will become records of the association. For a CAM, maintaining the records of the association is a particularly important responsibility.*

## Noticing Meetings

### Agenda

HOAs are required to include a specific agenda of items to be addressed at the meeting with the posted board meeting notice. The notice with agenda must be posted in a conspicuous place at least 48 hours in advance of a meeting, except in an emergency.

If 20% of the TVI (total voting interests) petition the board to address an item of business, the board is compelled to address the item at its next regular board meeting or at a special meeting of the board. In this case, the meeting that the petitioned item will be part of must be held no later than 60 days after the receipt of the petition. The board must give 14 days' notice.

### Assessments

Notice of board meetings where assessments will be considered; written notice of any meeting that will consider special assessments or that amendments to rules will be considered must be delivered, or electronically transmitted, as well as being posted conspicuously on the property or broadcast on closed-circuit cable television not less than 14 days before the meeting.

### Minutes

Minutes of all meetings of the members of an association and of the board of directors of an association must be maintained in written form or in another form that can be converted into written form within a reasonable time (this has been interpreted to include audio tapes, video tapes, recordings of meetings held electronically such as by ZOOM). Votes as well as any abstention from voting on each matter must be recorded in the minutes.

### Posting Alternatives for HOAs

- If notice is not posted in a conspicuous place in the community, notice of each board meeting must be mailed or delivered to each member at least seven days before the meeting, except in an emergency.

- For communities with more than 100 members, the association bylaws may provide for a reasonable alternative to posting or mailing of notice for each board meeting, including publication of notice, a schedule of board meetings, or the conspicuous posting and repeated broadcasting of the notice on a closed-circuit cable television system serving the HOA.
- In addition, the board may adopt a procedure for conspicuously posting the meeting notice and agenda on the association's website and mobile app for at least the minimum period for which a notice of a meeting is also required to be physically posted on the association property.

Any rule adopted must include a requirement that the association send an electronic notice to members whose email addresses are included in the association's official records in the same manner as is required for a notice of a meeting of the members.

An electronic notice must include a hyperlink to the website or mobile app where the meeting notice is posted. The association may also provide notice by electronic transmission for board, committee, and member meetings to any member who has provided written consent to receive notice by electronic transmission to a facsimile number or email address.



*Are these notices, procedures, and alternatives part of the association's records? You bet. The petition, the notice, the agenda, and record (minutes) of the meeting held.*

*Remember that each member will have the right to speak for at least three minutes on each matter placed on the agenda by petition. The members may use a sign-up sheet or submit a written request to speak prior to the meeting. Is that a record of the association? I think you know by this time that the answer is Yes!*

## PART 2: OFFICIAL RECORDS AND THEIR MAINTENANCE

The association must maintain each of the following items, which constitute the official records of the homeowners' association, for at least seven years, unless the governing documents of the association require a longer period.

### Property Records

Copies of any plans, specifications, permits, and warranties related to improvements constructed in the common areas and other property that the association is obligated to maintain, repair, or replace.

This will include items that board members may have long ago forgotten. Documentation such as surveys and the plat of the property; agreements with local municipalities and state agencies for things like storm drainage or perimeter walls/fences or landscape/lake requirements or road/walk maintenance agreements; irrigation system plan specifications along with any alterations made through the years; land lease agreements. This is not an exhaustive list.

## Governing Documents

A copy of the bylaws, articles of incorporation, declaration of covenants of the association, and each amendment to these documents.

Remember when it comes to HOAs, a provision was included in F.S. 720 that before October 1, 2024, an association shall provide a physical or digital copy of the association's rules and covenants to **every member** of the association. AND an association shall provide a physical or digital copy of the association's rules and covenants to **every new member** of the association.

*Many associations and CAMs have been under the assumption that it's a seller's responsibility to provide a copy of the documents of the association to a buyer. It's now the responsibility of the association to provide a copy to new members.*

## Rules and Regulations (CC&Rs)

The rules of the HOA community are described in the declaration of covenants, conditions, and restrictions (CC&Rs). This is a copy of the current rules of the HOA.

If an association's rules or covenants are amended, the association must provide every member of the association with an updated copy of the amended rules or covenants. An association may adopt rules establishing standards for the manner of distribution and timeframe for providing copies of updated rules or covenants.

This requirement may be met by posting a complete copy of the association's rules and covenants, or a direct link to them, on the homepage of the association's website accessible to the members of the association. Then, the association must send notice to each member of the association of its intent to utilize the website for this purpose.

The notice must be sent in the following ways:

- By electronic mail to members of the association who have consented to receive notices by electronic transmission and provided an electronic mailing address.
- By mail to all other members of the association at the address identified as the member's mailing address in the official records of the association.

## Meeting Minutes

This includes the minutes of all meetings of the board of directors and of the members. It's worth noting that a few years ago statutes for condominium and cooperative associations included that among other records the minutes of all meetings are to be maintained from the inception of the association. This is loosely interpreted to mean for the entire life of the condominium or cooperative association. Homeowners' association statute does not currently make that requirement of the minutes.

## Roster

This is a current roster of all members and their designated mailing addresses and parcel identifications. A member's designated mailing address is the member's property address, unless the member has sent written notice to the association requesting that a different mailing address be used for all required notices.

## Electronic Transmission Log

The association must also maintain the email addresses and fax numbers designated by members who consent to receive notices via electronic transmission. A member's email address is the email address the member provided when consenting in writing to receive notices by electronic transmission, unless the member has sent written notice to the association requesting that a different email address be used for all required notices.

The email addresses and fax numbers provided by members to receive notices by electronic transmission must be removed from association records when the member revokes consent to receive notice by electronic transmission. However, the association is not liable for an erroneous disclosure of the email address or fax number for receiving electronic transmission of notices.

## Insurance

This includes all of the association's insurance policies or a copy.

## Contracts

Includes a current copy of all contracts that the association is a party to. This includes, but is not limited to, any management agreements, leases, and other contracts in which the association has any obligation or responsibility. Bids received by the association for work to be performed are considered official records and must be kept for a period of one year.

## Financial Records

The financial and accounting records of the association must be kept according to good accounting practices. The financial and accounting records must include:

- Accurate, itemized, and detailed records of all receipts and expenditures
- A current account and a periodic statement of the account for each member, designating the name and current address of each member who is obligated to pay assessments, the due date and amount of each assessment or other charge against the member, the date and amount of each payment on the account, and the balance due
- All tax returns, financial statements, and financial reports of the association
- Any other records that identify, measure, record, or communicate financial information

## Disclosure Summary

This is a copy of the disclosure summary for purchasers of unit/parcel in an HOA as described in F.S. 720.401(1).

The disclosure must be supplied by the developer, or by the parcel owner if the sale is by an owner that is not the developer. There is additional language that must go along with the disclosure. (See the end of the course for an example.)

## Election Materials

This includes ballots, sign-in sheets, voting proxies, and all other papers and electronic records relating to voting by parcel owners that must be maintained for at least one year after the date of the election, vote, or meeting.

## Affirmative Acknowledgements

This is all affirmative acknowledgments made pursuant to F.S. 720.3085(3)(c)3:

A parcel owner must affirmatively acknowledge his or her understanding that the association will change its method of delivery of the invoice for assessments or the statement of the account before the association may change the method of delivering an invoice for assessments or

the statement of account. The parcel owner may make the affirmative acknowledgment electronically or in writing.

Note that while an affirmative acknowledgment is an official record of an HOA, it's not a record accessible to members or parcel owners for inspection or copying.

## All Other Written Records

This includes all other written records of the association not specifically included in this subsection in the statute but are related to the operation of the association.



*As you can see, this provision of "all other written records of the association" opens it up to all sorts of documentation and correspondence from and to board members, members, and CAM's emails. An association may be wise to consult with their attorney to create a policy related to how the association will accept and respond to members of the association when it comes to correspondence. A CAM and the board should always use their best practices of communication skills and judgement when responding to digital correspondence. Don't hit SEND until you are sure that your return message is accurate, objective, and professional. Does it need to be shared with others, like board members, before responding?*

# PART 3: WEBSITES AND MOBILE APPLICATIONS

## Requirements for HOAs

Florida statutes were amended to require an HOA with 100 or more parcels to post certain documents on its website or make them available through a mobile application by January 1, 2025. The list is similar to the list of documents that condominiums are required to post on their websites. The required documents include:

- The articles of incorporation of the association and each amendment thereto
- The recorded bylaws of the association and each amendment thereto
- The declaration of covenants and a copy of each amendment thereto
- The current rules of the association
- A list of all current executory contracts or documents that the association is a party or under which the association or the parcel owners have an obligation or responsibility and, after bidding for the related materials, equipment, or services has closed, a list of bids received by the association within the past year.
  - Example of executory contracts: Any ongoing service agreements, such as landscape maintenance, swimming pool maintenance, and management
- The annual budget and any proposed budget to be considered

- The financial report required, and any monthly income or expense statement to be considered at a meeting
- The association's current insurance policies
- The certification of each director as required by F.S. 720.3033(1)(a)

## Certifications of HOA Board Members' Education

Within 90 days after being elected or appointed to the board, each director must submit a certificate of having satisfactorily completed the educational curriculum administered by a DBPR-approved education provider.

- The newly elected or appointed director must complete the department-approved education for newly elected or appointed directors within 90 days after being elected or appointed.
- The certificate of completion is valid for up to four years.
- A director must complete the education specific to newly elected or appointed directors at least every four years.
- The educational curriculum must include training relating to financial literacy and transparency, record keeping, levying of fines, and notice and meeting requirements.

- In addition to the educational curriculum specific to newly elected or appointed directors:
  - A director of an association that has fewer than 2,500 parcels must complete at least 4 hours of continuing education annually.
  - A director of an association that has 2,500 parcels or more must complete at least 8 hours of continuing education annually.

### Required Documents (cont'd)

- All contracts or transactions between the association and any director, officer, corporation, firm, or association that is not an affiliated HOA or any other entity in which a director of an association is also a director or an officer and has a financial interest.
- Conflict of interest. Any contract or document regarding a conflict of interest or possible conflict of interest. Both HOA statute, 720.3033(2) and statute for professional standards, specifically community association management (468.436(2)(b)6 provide requirements related to any conflict of interest.
- Notice of any scheduled meeting of members and the agenda for the meeting, at least 14 days before the meeting. The notice must be posted in plain view on the homepage of the website or application, or on a separate subpage of the website or application labeled "Notices" which is conspicuously visible and linked from the homepage.
  - The association shall also post on its website or application any document to be considered and voted on by the members during the meeting or any document listed on the meeting agenda at least seven days before the meeting at which such document or information within the document will be considered.
- Notice of any board meeting, the agenda, and any other document required for the meeting which must be posted on the website or application no later than the date required to post.
- The association's website or application must be accessible through the Internet and must contain a subpage, web portal, or other protected electronic location that is inaccessible to the general public and accessible only to parcel owners and employees of the association.
- Upon a written request by a parcel owner, the association must provide the parcel owner with a user name and password and access to the protected sections of the association's website or application that contains the official documents of the association.
- The association shall ensure that the information and records that are not allowed to be accessible to parcel owners are not posted on the association's website or application.

- If protected information or information restricted from being accessible to parcel owners is included in documents that are required to be posted on the association's website or application, the association must ensure the information is redacted before posting the documents.
- The association or its authorized agent is not liable for disclosing information that is protected or restricted unless such disclosure was made with a knowing or intentional disregard of the protected or restricted nature of such information.
- The association shall adopt written rules governing the method or policy by which the official records of the association are to be retained and the time period such records must be retained.

#### Retention Policy - Description and Purpose

A retention policy provides clear guidelines for association boards, members, and authorized agents that ensure understanding of the responsibilities regarding data management. A document retention policy can help to demonstrate the association's commitment to ethical and lawful data practices. It acts as a safeguard for the association and strengthens its ability to adapt to changing regulatory and business demands. Put simply, a retention policy is a proactive step toward achieving compliance, security, and operational excellence.

The policy (or policies) identifies the records of the association that are information stored in physical form or electronically. It's common for the association's attorney to help the board to create retention policies.

Retention periods are determined by governing documents, applicable statutes such as chapter 720 and chapter 617 of the Florida Statutes. The policy will address each individual document as to length of time that it must be kept before it can be destroyed or archived.

The Community Association Institute (CAI) describes a secretary as, "The organization's chief information officer; the secretary shepherds the records."\* While the owner of the records is technically the association, the person or entity responsible for the overall data governance is typically a senior leader within the organization, hence the secretary. So, the board may want the secretary to sign the approval of any policy or policies created and adopted at a board meeting or member meeting.

\*CAI: The Board Secretary. A Guide for Association Practitioners. Fourth edition. 2003.

Some associations appoint a communication committee or steward. Such committee may be involved in ensuring the quality and accuracy of data being retained or posted to websites and mobile applications.

A records custodian may include a CAM or the management firm for the association. They may be the personnel responsible for the technical environment and security where data is stored, processed, and transmitted.

Examples of what a records retention policy may identify:

- **Administrative Records:** Their description and the retention period.
- **Fiscal Records:** Their detailed description and retention period.
- **Personnel Records:** If it applies, and their retention period.
- **Legal Records:** This may include a number of document types. Such records may have various required retention periods.
- **General Service Records:** Maintenance records, property, security and insurance records
- **Information Technology:** Systems access to records, project files, and how this information may or may not change as a new board is elected or appointed.

All the information discussed must be made available to the parcel owners through the association's website or mobile application.



*As a CAM, it's clear that there has been a lot of thought, case law, and legal consideration over the years that went into the needs assessment to determine what should be included in the Florida statute for HOAs related to the duties and responsibilities of the association as they relate to records and record keeping. Associations, their boards of directors, and CAMs must take these requirements and responsibilities seriously. Records and record keeping are often the subject of abuse, document and statutory violations, and lawsuits for associations, directors, and CAMs.*

## PART 4: INSPECTION AND COPYING RECORDS

Often members of a community association request or demand to inspect the records of the association. Along with that request, they often want to make copies of the records they are inspecting.

Florida statutes, including F.S. 720, HOAs, address this provision extensively with requirements, procedures, and recommendations for policies that a board may create to handle such requests.

Let's explore those provisions in Florida's HOA statute, 720:

- Unless otherwise provided by law or the governing documents of the association, the official records must be maintained within this state for at least seven years.
- They must be made available to a parcel owner for inspection or photocopying within 45 miles of the community or within the county in which the association is located.
- They must be made available within 10 business days after receipt by the board or its designee of a written request from the parcel owner.
- If the HOA has a photocopy machine available where the records are maintained, it must provide parcel owners with copies on request during the inspection.
  - If the entire request is limited to no more than 25 pages.
- An association shall allow a member or his or her authorized representative to use a portable device, including a smartphone, tablet, portable scanner, or any other technology capable of scanning or taking photographs, to make an electronic copy of the official records in lieu of the association's providing the member or his or her authorized representative with a

copy of such records.

- The association may not charge a fee to a member or their authorized representative for the use of a portable device.

The association can comply with this by having a copy of the official records available for inspection or copying in the community or by making the records available to a parcel owner electronically via the Internet or by allowing the records to be viewed in electronic format on a computer screen and printed upon request.



*Caution board members and CAMs! If the association fails to provide access to the records within 10 business days after receiving a written request sent by certified mail (return receipt requested), it might be argued/presumed that this was an intentional failure to comply. A denial of access to the official records could result in fines. For willful failure to comply, minimum damages are \$50 per calendar day up to 10 days. The 10 days is calculated to begin on the 11th day after receiving the written request. For a CAM, this could also result in a complaint about their license.*

Throughout the years, some board members and even managers have violated this provision either unintentionally or deliberately. Statutes have become clear that any director, officer, or CAM who knowingly, willfully, or intentionally violates the provision of providing record access and copying privileges to a member with the intent of causing harm to the association or its members, commits a misdemeanor of the second degree, and is subject to punishment as provided in F.S. 775.082 or F.S. 775.083 (Florida Criminal Code).

Furthermore, any person who knowingly and intentionally defaces or destroys accounting records during the period in which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain accounting records that are required to be created or maintained, with the intent of causing harm to the association or its members, commits a misdemeanor of the first degree, and is subject to punishment as provided in F.S. 775.082 or F.S. 775.083 (Florida Criminal Code).

Additionally, a person who willfully and knowingly refuses to release or otherwise produce association records with the intent to avoid or escape detection, arrest, trial, or punishment for the commission of a crime, or to assist another person with such avoidance or escape, commits a felony of the third degree, punishable as provided in F.S. 775.082, F.S. 775.083, or F.S. 775.084 (Florida Criminal Code).

As a matter of best practices, an association should adopt reasonable written rules governing the frequency, time, location, notice, records to be inspected, and manner of inspections of the records. However, any such rules or any entity providing the requested records may not require a parcel owner to demonstrate their purpose for the inspection, nor state any reason for the inspection, or limit a parcel owner's right to inspect records to less than one 8-hour business day per month.

The association can charge fees to cover the costs of providing copies of the official records, including:

- The costs of copying and the costs required for personnel to retrieve and copy the records if the time spent retrieving and copying the records exceeds one-half hour and if the personnel costs do not exceed \$20 per hour.
  - Personnel costs may not be charged for records requests that result in the copying of 25 or fewer pages.
- The association may charge up to 25 cents per page for copies made on the association's photocopier.
- If the association does not have a photocopy machine available where the records are kept, or if the records requested to be copied exceed 25 pages, the association may have copies made by an outside duplicating service and charge the actual cost of copying, as supported by the vendor invoice.

## Records Not Accessible to Members

Some records of the association are **not** accessible to members or parcel owners for inspection and copying. Such records are outlined here.

## Lawyer-Client Privilege

Records protected as described in F.S. 90.502 (Evidence Code, Lawyer-client privilege) and any record protected by the work-product privilege.\*

\*Work-product privilege includes a record prepared by an association attorney or prepared at the attorney's express direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings or which was prepared in anticipation of such litigation or proceedings until the conclusion of the litigation or proceedings.

## Property Transfer

Information obtained by an association in connection with the approval of the lease, sale, or other transfer of a parcel.

Often an association will require the submission of a completed application package from a prospective new owner or tenant. Along with the application, some associations require other documentation, such as a copy of a driver's license, financial records for a set period of time, credit report, and more. These are the types of information this provision protects.

## Gated HOA

Information a gated-community association obtains in connection with guests who visit community residents and parcel owners.

## Personnel Records

Records of association or management company employees, including, but not limited to, disciplinary, payroll, health, and insurance records.

The term "personnel records" does not include written employment agreements with an association or management company employee or budgetary or financial records that indicate the compensation paid to an association or management company employee.

## Medical Records

This includes any medical records in the parcel owners files.



*Some board members assume that they don't keep medical records in members' files, but what if a homeowner requested to install a ramp on their house and complied with the HOA requirement to provide a letter of medical necessity for the ramp; or a new parcel owner or tenant advised that they have a service animal and as part of their good faith efforts, included documentation that included a diagnosis for which a service animal is necessary. The lesson here is that the association and management should protect the rights of the association and members and in some cases its prospective members and tenants from allowing access to confidential information such as medical records.*

## Personal Information

This includes information, such as Social Security numbers, driver's license numbers, credit card numbers, electronic mailing addresses, telephone numbers, fax numbers, emergency contact information, any addresses for a parcel owner other than as provided for association notice requirements, and other personal identification information of any person. This excludes the person's name, parcel designation, mailing address, and property address, however.

*An association may print and distribute to parcel owners an owners' directory that includes their name, parcel address, and telephone numbers. An owner can request in writing to exclude their telephone numbers. The association is not liable for the disclosure of this information if the information is included in an official record and is voluntarily provided by an owner and not requested by the association.*

## Data Security

Any electronic security measures that are used by the association to safeguard data, including passwords.

## Operating System Information

The software and operating system used by the association that allows the manipulation of data, even if the owner owns a copy of the same software used by the association. The data is part of the official records of the association.

## Affirmative Acknowledgements

All affirmative acknowledgments made pursuant to F.S. 720.3085(3)(c)3. This is a document that acknowledges a person's understanding that the association will make certain changes or additions to a process or procedure that the governing documents or a Florida statute requires before the association can make that specific change or addition.

The association or its authorized agent is not required to provide a prospective purchaser or lienholder with information about the residential subdivision or the association other than information or documents required by Florida statute to be made available or disclosed.



*What if a prospective buyer wants information about the association? The association or its authorized agent may charge a reasonable fee to the prospective purchaser, lienholder, the current parcel owner, or member for providing good faith responses to requests for information by or on behalf of a prospective purchaser or lienholder. Other than that required by law, if the fee does not exceed \$150 plus the reasonable cost of copying and any attorney fees incurred by the association in connection with the response. A written policy or an inclusion in the management contract is a good idea here.*

## Estoppels

This is not the same provision as the authorization to charge for the preparation and delivery of an estoppel certificate. F.S. 720.3051(6) provides an association or its authorized agent may charge a reasonable fee for the preparation and delivery of an estoppel certificate, which may not exceed \$250. Additional fees may be charged depending on the status of the property.

In accordance with Chapter 2017-93, Laws of Florida, the DBPR shall periodically calculate the fees for estoppel certificates, rounded to the nearest dollar, and publish the amounts, as adjusted, on its website. The next update will be released by July 1, 2027. Currently, according to the DBPR, the fee for the preparation and delivery of an estoppel certificate may not be more than \$299 for condominiums, cooperatives, and HOAs.

**Caution!** There is conflict in this provision and the HOA statute. An association or authorized agent that prepares and delivers an estoppel certificate should consult with their association attorney on this.

## Subpoenas

This is for when law enforcement is involved. If an association receives a subpoena for records from a law enforcement agency, the association must provide a copy of those records or make the records available for inspection and copying to a law enforcement agency within five business days after receipt of the subpoena (unless otherwise specified by the law enforcement agency or subpoena). An association must assist a law enforcement agency in its investigation to the extent permissible by law.



*None of the provisions of statute related to inspection and copying of association records are to be taken lightly. An association's attorney is often the best source of counsel relating to policy creation, board resolutions, and best practices of the management staff and firm assurance. An association, directors, officers, and CAM and management firm may be subject to penalties including fines, suspensions, or revocations.*

## More on Association Records

Let's highlight some other parts of F.S. 720 that address the importance of record keeping.

### Budgets are a Record of the Association

The association must prepare an annual budget. The association must provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member. For HOAs that are required to have a website, the annual budget and any proposed budget to be considered must be posted on the website.

## Financial Reports

Year-end financial reports required to be prepared by an HOA are records of the association. Within 90 days after the end of the fiscal year, or annually on the date provided in the bylaws, the association shall prepare and complete, or contract with a third party for the preparation and completion of, a financial report for the preceding fiscal year.

- Within 21 days after the final financial report is completed by the association or received from the third party, but not later than 120 days after the end of the fiscal year (or other date as provided in the bylaws), the association shall, provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member.

What level of fiscal year-end financial report is required for an HOA? Prior to 2024, the level of year-end financial report was based on the revenue of the association. However, effective July 1, 2024, Chapter 2024-221 (HB 1203) changed the requirements to add that the level of financial year-end report is not only determined by revenue, but also by size of community as listed here:

- An association with total annual revenues of **less than \$150,000** shall prepare a report on cash receipts and expenditures.
- An association with total annual revenues of **\$150,000 or more, but less than \$300,000** shall prepare compiled financial statements.
- An association with total annual revenues of **at least \$300,000, but less than \$500,000** shall prepare reviewed financial statements.
- An association with total annual revenues of **\$500,000 or more** shall prepare audited financial statements.
- An association with **at least 1,000 parcels** shall prepare audited financial statements, notwithstanding the association's total annual revenues. (**As amended 2024**)
  - If approved by a majority TVI, a report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement.

Can HOAs prepare a lower/higher level of financial report? It's possible. If 20% of the parcel owners petition the board for a level of financial reporting higher than that required by this statute, the association shall duly notice and hold a meeting of members within 30 days of receipt of the petition for the purpose of voting on raising the level of reporting for that fiscal year. Upon approval of a majority of the TVI of the parcel owners, the association shall prepare or cause to be prepared, shall

amend the budget or adopt a special assessment to pay for the financial report regardless of any provision to the contrary in the governing documents, and shall provide within 90 days of the meeting or the end of the fiscal year, whichever occurs later. If approved by a majority of the TVI present at a properly called meeting of the association, an association may prepare or cause to be prepared a lower level, but an association may not prepare a financial statement pursuant to this paragraph for consecutive fiscal years.

## Recall of Directors

When and if a director is recalled, it creates records for the association that must be maintained properly according to the HOA's documents and Florida statutes.

Statutes, as well as many HOA documents, provide stipulations for the membership to take action to recall (remove from the board) directors or a board.

Each of these stipulations, whether determined by governing documents or statute, require petitions or an agreement in writing or written ballot. There are stipulations regarding any board and/or membership meeting that may be required. The stipulations also include requirements of service on the association by certified mail or by personal service in the manner authorized by statute and the Florida Rules of Civil Procedure.

## Debit Cards

This explains how a debit card issued to an HOA becomes part of the association records. The Florida statute tells us that an association and its officers, directors, employees, and agents may not use a debit card issued in the name of the association or billed directly to the association for the payment of any association expenses. A person who uses a debit card issued in the name of the association, or billed directly to the association, for any expense that is not a lawful obligation of the association commits theft as provided under F.S. 812.014 (Theft).

The statute for HOAs goes further to clarify that the term "lawful obligation of the association" means an obligation that has been properly preapproved by the board and is reflected in the meeting minutes or the written budget.



*So, not only is the existence of a debit card part of the association records, but also it's use and approval for use.*

## Requirement to Provide an Accounting

A parcel owner may make a written request to the board for a detailed accounting of any amounts they owe to the association related to the parcel, and the board must provide that information within 15 business days after receipt of the written request.

*After a parcel owner makes a written request to the board, they may not request another detailed accounting for at least 90 calendar days. Failure by the board to respond within 15 business days to a written request for a detailed accounting constitutes a complete waiver of any outstanding fines of the person who requested the accounting that are more than 30 days past due and for which the association has not given prior written notice of the imposition of the fines.*

## Professional Practices

Related to professional practices of a manager or management firm, effective July 1, 2025, Chapter 2025-175 (HB 913) the following provisions now apply not only to HOAs, but to condominium and cooperative associations. F.S. 468.4334 (3) was amended in 2025:

468.4334 Professional practice standards; liability; community association manager requirements:

(3) A community association manager or community association management firm that is authorized by contract to provide community association management services to a ~~homeowners'~~ community association shall do all of the following:

(a) Attend in person at least one member meeting or board meeting of the homeowners' community association annually.

(b) Provide to the members of the ~~homeowners'~~ community association the name and contact information for each community association manager or representative of a community association management firm assigned to the ~~homeowners'~~ community association, the manager's or representative's hours of availability, and a summary of the duties for which the manager or representative is responsible. The ~~homeowners'~~ community association shall also post this information on the association's website or application, if the association is required to maintain official records on a website or application required under Florida statute ~~720.303(4)(b)~~. The community association manager or community association management firm shall update the ~~homeowners'~~ community association and its members within 14 business days after any change to such information.

(c) Provide to any member upon request a copy of the contract between the community association manager or community association management firm and the ~~homeowners'~~ community association and include such contract with association's official records.

Key: ~~Deletion~~; Addition

Other amendments to F.S. 468 that impact CAMs and management firms, is discussed in the Legal Update portion of the 2026 CE correspondence book.

EXAMPLE: F.S. 720.401(1)

### DISCLOSURE SUMMARY FOR (NAME OF COMMUNITY)

1. As a purchaser of property in this community, you will be obligated to be a member of a homeowners' association.
2. There have been or will be recorded restrictive covenants governing the use and occupancy of properties in this community.
3. You will be obligated to pay assessments to the association. Assessments may be subject to periodic change. If applicable, the current amount is \$ per \_\_\_\_\_. You will also be obligated to pay any special assessments imposed by the association. Such special assessments may be subject to change. If applicable, the current amount is \$ per \_\_\_\_\_.
4. You may be obligated to pay special assessments to the respective municipality, county or special district. All assessments are subject to periodic change.
5. Your failure to pay special assessments or assessments levied by a mandatory homeowners' association could result in a lien on your property.
6. There may be an obligation to pay rent or land use fees for recreational or other commonly used facilities as an obligation of membership in the homeowners' association. If applicable, the current amount is \$ per \_\_\_\_\_.
7. The developer may have the right to amend the restrictive covenants without the approval of the association membership or the approval of the parcel owners.
8. The statements contained in this disclosure form are only summary in nature, and, as a prospective purchaser, you should refer to the covenants and the association's governing documents before purchasing property.
9. These documents are either matters of public record and can be obtained from the record office in the county where the property is located or are not recorded and can be obtained from the developer.

## COURSE SUMMARY



*Thank you for joining us to examine the relevance of the records of an HOA, and the responsibilities of the association, directors, officers, and its authorized agents, such as a CAM or a community association management firm.*

Often as part of a contract for services between an HOA and a management firm, there is an agreement that the association will compensate the management firm for the physical retention and maintenance of the association's records. Sometimes these records are maintained in digital format, sometimes entirely in printed format and kept in storage containers, and sometimes the records are maintained in a combination of digital and printed materials.

Regardless of the manner in which the records are kept, the responsibilities remain the same. A CAM and a management firm must use the best practices

as determined by statute, contract, and professional practice standards to assist an HOA to comply with its responsibilities.

This course combined with the course titled, "A Mindful CAM," will provide CAMs who service HOAs the state required five CE hours pertaining specifically to HOAs. The particular CE categories they fulfil for an HOA manager are EH-1 (Record keeping), and EH-2 (HOA).

Remember, a CAM who serves an HOA must register and complete the Homeowners' Association Services Disclosure Statement on the DBPR portal. All CAMs must have an account on the DBPR Online Services portal.

You'll find a quick 10-question quiz in the front of the book. We hope this course helps you in your continuing CAM career!

# A Mindful CAM

## 2 Hours of CE Credits: HOA Managers (EH2) / Non-HOA Managers (ELE)

Approval: Correspondence #9633805  
Distance/Online #9633753

Expiration: 10/15/2027  
Expiration: 09/28/2027

### Course Overview

This course is designed to satisfy two hours of continuing education requirement, EH2, for HOA managers. It is also available for non-HOA managers who wish to use the two hours toward additional instruction (ELE). It explores issues related to serving a community association as a

CAM. It delves into some of the areas in the community association law, specifically F.S. 720, as it relates to topics that a CAM must be mindful of, aside from recordkeeping.

### Learning Objectives

- Understand that there are many areas that a CAM must concern themselves with aside from recordkeeping.
- Recognize the importance of the business relationship with boards, committees, and members.
- Understand how a CAM can provide guidance in various association duties and processes to help achieve the association's goals.
- Understand provisions related to meetings, elections, and fraudulent voting activities.
- Learn to recognize when the practices of a community association conflict with statutory members' rights

## INTRODUCTION

There are many skills necessary to provide professional service and effective management of community associations. Being a CAM isn't just about visiting the community association property from time to time or attending a board meeting once in a while. It is far more than that.

A CAM must comply with long-established professional standards under F.S. 468.432. A CAM must use caution in carrying out their duties, the goals and desires of the community association or its board of directors so as to never carry out a directive that violates state or federal laws. All the while, a CAM must be vigilant of these standards and practices. They must be focused on performing their duties for the benefit of the community association for which they are working.

Does a CAM have an easy job? Not necessarily. Conflicts of interest arise, conflicts between the home/unit owners and the board of directors in some communities are ever present, unpopular decisions need to be made, and the common misunderstandings of what a CAM does can all make for some rough days.

On the other hand, a board of directors and their CAM may work in harmony to ensure that the goals of the community association are addressed, worked toward, and ultimately achieved. For the purposes of this course, let's look at some of the areas in the community

association law, specifically F.S. 720, as it relates to issues that a CAM must be mindful of, aside from recordkeeping.

This course is divided into four parts:

**PART 1:** Officers and Directors: Importance of a CAM's professional relationship and communication with association leadership

**PART 2:** Architectural Control and Covenants: How a CAM can guide board members and parcel owners to achieve the goals of the association.

**PART 3:** Members' Meetings and Elections: Types of meetings and common practices. Fraudulent voting practices.

**PART 4:** Member's rights: Understanding changes in the law and a CAM's insight and guidance for the association board and members.



*Hi, I'm Gwen. I'll be walking through this course with you. My insight comes from over 10 years of experience as an active CAM. I've managed all levels and all types of community associations. This discussion is focused on homeowners' associations as we cover some of the important areas that a CAM must be aware of and knowledgeable about. Enjoy the course!*

# PART 1: OFFICERS AND DIRECTORS

## Importance of Roles and Relationships

Statute provides a great deal about the requirements of the officers and directors of association boards of directors. F.S. 720.3033, for instance, addresses many aspects of these roles. It specifies that a newly elected or appointed board member must participate in a DBPR-approved board certification course and that their certificate of completion for such education must be provided to the board within 90 days after being elected or appointed. To go further, their certificate of completion must be kept as part of the records of the association for five years. For HOA board members, this curriculum must include training related to financial literacy and transparency, recordkeeping, levying fines, and notice and meeting requirements.

- A director must complete the education specific to newly elected or appointed directors at least every four years.

In addition to the educational curriculum specific to newly elected or appointed directors:

- The director of an association that has fewer than 2,500 parcels must complete at least four hours of continuing education annually.
- The director of an association that has 2,500 parcels or more must complete at least eight hours of continuing education annually.
- A director who does not timely file the educational certificate is suspended from the board until they comply with the requirement. The board may temporarily fill the vacancy during the period of suspension.
- The association shall retain each director's educational certificate for inspection by the members for five years after the director's election.



*In recent years, the statutes have added a requirement for continuing education for board members that depends on the number of parcels in the community association.*

*This can be a difficult concept for some board members. As a CAM, you may have to use your best communication skills to encourage and even organize board members to participate, and to be aware if the state changes or creates other requirements related to the education of board members.*

Another important aspect is the possible conflict of interest between the association and the possibility of entering into contracts or other transactions with any of its directors or a corporation, firm, or association

that are not an affiliated HOA, or other entity in which an association director is also a director or officer or is financially interested.

What is required in a HOA if this occurs? First and foremost the board member who may have the conflict is required to disclose the conflict of interest at a properly noticed board meeting that has a quorum. The disclosure must be entered into the minutes of that meeting. Two-thirds of the board must then approve of that contract or transaction.

*The board member who has a financial interest would abstain (would not vote) from voting on the contract or transaction. The abstention is reflected in the meeting minutes. The board must comply with the requirements of F.S. 617.0832*

A tricky part about a conflict of interest according to statute including compliance with F.S. 617.0832, is that at the next regular or special meeting of the members, the board must disclose the existence of the contract or other transaction to the members. If a member makes a motion, the contract or transaction shall be brought up for a vote and may be canceled by a majority vote of the members present.



*Kickbacks, another significant type of conflict that CAMs, officers, and directors should steer clear of. If there is even a hint that a prospective vendor or contractor is going to attempt to involve the association in a kickback, the board should be advised, and the vendor or contractor should not be selected. CAMs really need to be cautious. What may look like an innocent action or gift from a vendor could result in the CAM's involvement in a kickback that could lead to the loss of their license.*

A "kickback" refers to any valuable item or service received by an officer, director, manager, or their immediate family member without proper payment or consideration. These kickbacks come from individuals or companies that are currently providing or planning to provide goods or services to the association. This practice is illegal and can be punished as a third-degree felony.

The statute says that if the board finds that an officer or a director has violated this subsection, the board must immediately remove the officer or director from office. An officer, director or manager who commits a kickback commits a felony of the third degree, punishable as provided in law (F.S. 775.082, 775.083, or 775.084) and is subject to monetary damages under F.S. 617.0834.

The following acts constitute grounds for which the disciplinary actions may be taken:

- Failing to disclose any conflict of interest as required by F.S. 468.4335 (conflicts of interest)
- Violating F.S. 718 (condominiums), F.S. 719 (cooperatives), or F.S. 720 (HOAs) during the course of performing community association management services pursuant to a contract with a community association.

However, an officer, director, or manager can accept food with a value of less than \$25 per person that will be provided at a business meeting. An officer, director, or manager can also acquire a service or goods at a trade fair or educational program.

A CAM must understand and explain to board members that the law takes the following actions very seriously and an officer or director could be removed from office if any of these crimes occur.

- Forgery of a ballot envelope or voting certificate used in an HOA election
- Theft or embezzlement involving the association's funds or property
- Tampering with physical evidence, like destroying or refusing to allow inspection of copying of the HOA official records, which should be accessible to parcel owners
- Obstruction of justice and any criminal violation under F.S. 843, Obstructing Justice

If an officer or director has been removed from the board based on the above, and if the charges are resolved without a finding of guilt or acceptance of a plea of guilt or nolo contendere, that director or officer can be reinstated for the remainder of their term.

### Working as a Team

The insights, knowledge, and skills that a management team provides are based very much on statutory professional guidelines and restrictions. It's important for a CAM to ensure that the management team for an HOA is functioning optimally. If the CAM is part of a management firm, that CAM will communicate the association's needs and requirements with the management office staff as appropriate.

When community associations work as a team with their management, the CAM must take into consideration the diversity of the groups/entities they are working with to achieve the goals and objectives of the association. This diversity may include that the CAM not only works with a board of directors and its officers but also with various committees of the HOA, such as an architectural control

committee, a budget committee, a landscape committee, a grounds maintenance committee, a screening committee and others, as well as other agents of the association and service providers.

**Example:** The management firm performs administrative tasks, such as preparing annual meeting notice packages and monthly financial records. It is the CAM's responsibility to ensure that the office has the correct meeting information for the annual meeting notice package. For the preparation of the monthly financial records, the CAM coordinates with bookkeeping staff to assure that the monthly financials are distributed to the board. They also review the information contained in the reports in order to discuss or answer questions that the board may have.

Some of the skills that the CAM and management team exercise on a regular basis are skills in communication, organization, planning, record keeping, documenting, and observing. The duties of a CAM as it relates to various committees are often part of the contract between the management firm and the association or it may be a matter of ensuring that the committees have their reports ready and submitted for the next board or members' meeting. As you can see this is a matter of good communication, planning and record keeping.



*When boards change and new members serve, it's not uncommon for the new board to be unfamiliar with contracts that are in place for routine maintenance or special capital projects. A new treasurer may have difficulty understanding the financial records of the association. So, I find myself, like other CAMs, spending time with the new board members and officers explaining things to them. Insurance for HOAs is another area that the new board members don't understand. It's my responsibility to suggest that they speak to their agent or the association attorney to counsel them in regard to HOA statutory requirements, the HOA's requirements as determined by their association documents. I also help them exercise prudent business judgement (making a business decision on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation).*

### Association Insurance

Even if the association's documents are silent on insurance, the association must exercise prudent business judgment (known as the business judgment rule) under common law. Directors and officers must perform their duties:

- In good faith
- With the care that an ordinary prudent person in a like position would exercise under similar circumstances

- In a manner the directors reasonably believe to be in the best interests of the corporation (community association)
- The directors and officers are presumed to know the requirements of their positions, the association documents and applicable laws, spend sufficient time to properly carry out their responsibilities as determined by the association documents, and governing law.

The association's insurable interests are best protected when its board uses a qualified agent or broker whose specialty is community association insurance to recommend the appropriate types and levels of insurance.

When it comes to the types and amounts of insurance an HOA should obtain and maintain, the statute provides very little guidance, either F.S. 720 (HOAs) or F.S. 617 (not-for-profit corporations). HOAs are permitted

to participate in self-insurance pools under certain circumstances and case law suggests that an HOA should follow guidelines similar to those for condominium insurance requirements.

However, HOAs are to acquire and maintain insurance or a fidelity bond for anyone who controls or disburses association funds. Statute uses the term "persons who control or disburse funds of the association" that include, but are not limited to, persons authorized to sign checks on behalf of the association, and the president, secretary, and treasurer of the association. This may include a CAM who may review and approve payment of invoices.



*CAMs, keep in mind that annually a majority vote of the voting interests at a member's meeting may waive the requirement of obtaining an insurance policy or fidelity bond for all people who control or disburse funds of the association.*

## PART 2: ARCHITECTURAL CONTROL AND COVENANTS

A CAM's guidance to architectural control committees, the board, and parcel owners may help to preserve and achieve the goals of the association.



*Many of us CAMs have run into that parcel owner's application to the Architectural Review Committee that, when reviewed by some of the committee members, they thought was great, while other committee members thought the idea was horrible. Over the years, laws of Florida, and certain local, state, and federal laws have evolved to "remove" the subjective opinion and adhere to the objectiveness of written covenants, rules and guidelines stated in the governing documents. This is intended to protect the rights and privileges of parcel owners in a community association while protecting the covenants and objectives of the association.*

In HOAs, the power of control over architectural changes or construction improvements is limited to the exterior, not the interior, of a structure that is not visible from the parcel's frontage, an adjacent parcel, adjacent common area, or a community golf course.

The right to control architectural changes and/or improvements must be provided in the association's governing documents and apply to plans and specifications for the location, size, type, and appearance. These plans and specifications may be contained in architectural guideline documents (which, in essence, are rules and regulations for architectural changes and/or improvements), or within the governing documents.

Additionally the association or any of its committees that have the authority to approve or disapprove of an architectural change, improvement, may not adopt a covenant, rules, or guidelines that require review and

approval of plans and specifications for a central air conditioning, heating, and ventilating system if the system is not visible from the parcel's frontage, adjacent parcel, adjacent common area, or community golf course if the system is substantially similar to the system already approved.

An HOA's documents, rules, and guidelines for architectural changes or improvements, may provide options for the use of materials, the size, design, and location of the structure or improvement. If this is the case, then the association or committee cannot restrict the right of a parcel owner to select from the options provided.

In 2024, the statute changed the way that an HOA's board or committee addressing parcel owners' request for architectural changes or improvements can deny the request. F.S. 720.3035(4)(a) requires that if such a request is to be denied, the association or the committee must provide:

- Written notice to the parcel owner stating specifically what rule or covenant was relied upon when denying the request or application and
- The specific aspect or part of the proposed improvement that does not conform.

### Hurricane Protection

There were also legislative decisions made in 2024 regarding hurricane protection installed by parcel owners in an HOA as it relates to architectural review regardless of the age of the community. These considerations written in F.S. 720 relate to the board or committee that has authority to approve or disapprove architectural changes

or improvements:

The HOA must adopt hurricane protection specifications. The specifications may include the color and style of the hurricane protection products and other relevant factors. The specifications must comply with applicable building codes. The board or committee may require the parcel owner to adhere to:

- The existing building scheme regarding the external appearance of the structure or other improvements on the parcel.
- The term “hurricane protection” includes, but is not limited to, the roof system recognized by the Florida Building Code standards for:
  - Permanent fixed storm shutters
  - Roll-down track storm shutters
  - Impact-resistant windows and doors
  - Polycarbonate panels
  - Reinforced garage doors
  - Erosion controls
  - Exterior fixed generators
  - Fuel storage tanks
  - Other hurricane protection products used to preserve and protect the structures or improvements on a parcel governed by the association

### **New Display Provisions**

Related to architectural control and the covenant enforcement, statute passed a provision in F.S. 720.3045, that an HOA may not restrict parcel owners or their tenants from installing, displaying, or storing any items on the parcel that are not visible from the parcel’s frontage or an adjacent parcel, adjacent common area, or community golf course. This includes, but is not limited to, artificial turf, boats, flags, vegetable gardens, clotheslines, and recreational vehicles.

In the efforts of an HOA and its CAM to enforce the covenants important additions were made in 2024 that impact the HOA efforts to enforce their covenants as well as the role and responsibilities of a CAM. F.S. 720.3075, under Prohibited clauses in the association documents, added section (3).

In F.S. 720.3075, Prohibited clauses in association documents, added the following provisions that impact the HOA as well as the role and responsibilities of a CAM. HOA documents, including declarations of covenants, articles of incorporation, and bylaws, may not prohibit:

- Types or fuel sources of energy production which may be used, delivered, converted, or supplied by entities to serve customers within the association that such entities are authorized to serve:

- A public utility or an electric utility
- An entity formed under F.S. 163.01 (Florida Local Interoperate Act) that generates, sells, or transmits electrical energy
- A natural gas utility
- A natural gas transmission company
- A Category I liquefied petroleum gas dealer, a Category II liquefied petroleum gas dispenser, or a Category III liquefied petroleum gas cylinder exchange operator
- The use of an appliance, including a stove or grill, which uses the types or fuel sources of energy production which may be used, delivered, converted, or supplied by the entities listed in paragraph (b). As used in this paragraph, the term “appliance” means a device or apparatus manufactured and designed to use energy and for which the Florida Building Code or the Florida Fire Prevention Code provides specific requirements.
- A property owner or a tenant, a guest, or an invitee of the property owner from parking their personal vehicle, including a pickup truck, in the property owner’s driveway, or in any other area in which the property owner or the property owner’s tenant, guest, or invitee has a right to park as governed by state, county, and municipal regulations. The HOA documents, including declarations of covenants, articles of incorporation, or bylaws, may not prohibit, regardless of any official insignia or visible designation, a property owner or a tenant, guest, or an invitee of the property owner from parking their work vehicle, which is not a commercial motor vehicle as defined in F.S. 320.01(25), in the property owner’s driveway.
  - A property owner from inviting, hiring, or allowing entry to a contractor or worker on the owner’s parcel solely because the contractor or worker is not on a preferred vendor list of the association. Additionally, HOA documents may not preclude a property owner from inviting, hiring, or allowing entry to a contractor or worker on their parcel solely because the contractor or worker does not have a professional or occupational license. The association may not require a contractor or worker to present or prove possession of a professional or an occupational license to be allowed entry onto a property owner’s parcel.
  - Operating a vehicle that is not a commercial motor vehicle as defined in F.S. 320.01(25) in conformance with state traffic laws on public roads or rights-of-way or the property owner’s parcel.

## Florida-Friendly Landscaping

Prior to 2023, legislature found that the use of Florida-friendly landscaping and other water use and pollution prevention measures to conserve or protect the state's water resources serves a compelling public interest and that the participation of HOAs and local governments is essential to the state's efforts in water conservation and water quality protection and restoration.

The result of these findings:

HOA documents, including declarations of covenants, articles of incorporation, or bylaws, may not prohibit or be enforced so as to prohibit any property owner from implementing Florida-friendly landscaping, as defined in F.S. 373.185,

on their land or create any requirement or limitation in conflict with any provision of Part II of F.S. 373 or a water shortage order, other order, consumptive use permit, or rule adopted or issued pursuant to Part II of F.S. 373.



*CAMs, remember that architectural meetings must be posted. F.S. 720.303(2) requires that any committee or similar body that has the power to approve or disapprove architectural decisions must act in similar ways that a board of directors must. This includes posting the meeting, allowing members to attend and speak with reference to the designated items, and keeping records of the meeting.*

## PART 3: MEMBERS' MEETINGS AND ELECTIONS

Provisions and processes for members' meetings and elections in an HOA are normally contained in the governing documents, usually in the bylaws. A CAM's role and responsibility varies from association to association in their participation in the meetings and elections. However, statute makes very clear requirements regarding quorum, annual meetings, special meetings of the board and/or members, notice requirements, content of notice, rights of members to participate and speak at board and members meetings, proxy voting, elections and board vacancies, and recording the meetings.

The requirements for meetings of an HOA members, board of directors, and committees should be part of the documents of the association, rules and regulations, board resolutions and/or legal opinions. Florida Statute 720 has over the years refined and re-defined the statutory requirements that HOAs must consider.

### Types of HOA Meetings

#### Members' Meetings

This includes, but is not limited to, an annual meeting, which is required by corporate law.

After October 1, 1995, the association must be incorporated, and the initial governing documents must be recorded in the official records of the county in which the community is located. An association may operate more than one community. The officers and directors of an association are subject to F.S. 617.0830 (Corporations Not-For-Profit) and have a fiduciary relationship with the members who are served by the association.

#### Special Member Meetings

This type of meeting includes meetings of the membership for purposes of taking action or voting by the members of the association rather than by a board of

directors. This might include, but is not limited to:

- Amending the documents
- Waiving or reducing the funding of reserves
- Voting for a higher or a lower level of year-end financial reporting
- Acquiring a vote of membership before commencing litigation against any party in the name of the association involving amounts in controversy in excess of \$100,000
- Election of directors
- When petitioned by at least 20% of the membership to conduct a meeting or a particular issue named in the petition.

There are number of restrictions and requirements defining the procedures of membership meetings in HOAs.

- **Quorum requirements:** The number of participants required to have a valid meeting.
- **Notice requirements:** The timeframe for delivery to members that an association must adhere to regarding advising of subject, date, location, and items to be addressed at the meeting.
- **Posting of the required notice:** As of January 1, 2025, an association with 100 or more parcels shall post certain documents on its website or make available such documents through an application that can be downloaded on a mobile device. These documents include meeting notices.
- **Meeting location:** Statute requires that a meeting must be held at a location that is accessible to a physically disabled person if requested by a physically disabled person who has a right to attend the meeting. This applies to membership, board and certain committee meetings.

## Fraudulent Voting Activities

In 2023, Florida statutes for HOAs added F.S. 720.3065, which relates to fraudulent voting activities in elections and penalties. Anyone who engages in fraudulent voting activities, as described in the statute, commits a misdemeanor of the first degree including, but not limited to:

- Willfully and falsely swearing to or affirming an oath or having another person do so.
- Committing or attempting to commit or aiding in the commitment of fraud related to casting a vote or attempting to cast a vote.
- Preventing a member from voting as they intended by fraudulently changing or attempting to change a ballot, ballot envelope, vote or voting certificate.
- Using or threatening to use force, violence or intimidation or any tactic of coercion to induce a member to vote or refrain from voting in an election or on a particular ballot measure.
- Knowingly aiding, abetting, or advising a person in the commission of a fraudulent voting activity related to association elections.
- Agreeing, conspiring, combining, or confederating with at least one other person to commit a fraudulent voting activity related to association elections.
- Having knowledge of a fraudulent voting activity related to association elections and giving any aid to the offender with intent that the offender avoids or escape detection, arrest, trial, or punishment.

## Board Meetings

Board meetings are usually scheduled by the board. However, many governing documents dictate when or how often the board is to meet for the purpose of discussing regular ongoing business matters.



*Keep in mind that F.S. 468 Part VIII added a provision in section .4334-Professional practice standards requires that a community association manager or community association management firm that is authorized by contract to provide community association management services to an HOA attend in person at least one member meeting or board meeting of the HOA annually. Though many CAMs and management companies include the attendance of more than one board meeting annually in their contract with the HOA, some contracts do not define how many or what kind of meetings the CAM or the management company should attend.*

A board meeting may also be called if a petition is received from at least 20% of the membership. In this case, it will compel the board to hold a meeting for this specific purpose or include it with the agenda for the next board meeting, within 60 days, providing 14-day notice

to all members. Or, unless a different percentage is stated in the governing documents, by at least 10% total voting interests (TVI).

Various requirements for a board meeting exist in statutes that may or may not match up with the governing documents of the HOA that you are managing.

### Examples:

- Posting a detailed agenda along with the notice of the board meeting
- Posting at least 48 hours in advance of the meeting
- Open meetings to members, except when a closed meeting may be held for purposes, such as discussing legal matters with the association attorney or discussing personnel matters
- Participation of members attending a board meeting
  - Right to speak at such meetings with reference to all designated items.
  - A member and a parcel owner have the right to speak for at least three minutes on any item.
- Minutes of all of the members and of the board of directors must be maintained in written form or in another form that can be converted into written form within a reasonable time.
- Posting on the association's website notice of any board meeting, the agenda, and any other document required for the meeting as required, which must be posted on the website or application no later than the date required for notice.

## Committee Meetings

A committee is a group of directors, officers, members, or combination who are appointed by the board or the president to make recommendations after investigation, analysis, and/or resolution of a specific item or issue. The board or president's authority to appoint and delegate power to committees is governed by the association documents (generally the bylaws).

If the association's bylaws or rules are silent on the method of creating special committees and appointing committee members and chairpersons, the board can empower the president with the authority or opt to require a vote of the board.

While most committees are composed of directors, officers, or association members, some committees may include experts who are not members of the association. For instance, a committee that makes recommendations on architectural changes within the association may ask an architect to sit as a member. In some cases, the association documents may require that an expert sit as a

member of the committee.

In many ways, certain committees of an HOA must act in the way that a board does. The provision that a meeting of the board must be held at a location that is accessible to a physically disabled person if requested by a physically disabled person who has a right to attend the meeting, also applies to certain committees. Posting notice of their meeting, allowing attending members to participate and speak to designated items, and keeping a record of the meeting (minutes), are all provisions that also apply to the meetings of any committee or other similar body,

- When a final decision will be made regarding the expenditure of association funds

- When a committee is vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the community

A committee has only the power and authority assigned to it by its appointor (or the documents). Committees are typically advisory but may be empowered by statute, the documents, the board, or the association members with authority to make binding decisions, such as that of an architectural control committee in many HOAs.

There are two types of committees in community associations: standing and special.

Standing Committees	Special Committees
Standing committees are permanent committees that usually, but not always, meet on a regular basis.	Special committees are created to perform a specific, time-limited purpose, and typically disband when they satisfactorily achieve their objectives. They may also be referred to as ad hoc, select, task force, or work group committees.
<p><b>Examples:</b></p> <ul style="list-style-type: none"> <li>• Architectural control committee</li> <li>• Fines committee</li> <li>• New resident screening committee</li> </ul>	<p><b>Examples:</b></p> <ul style="list-style-type: none"> <li>• Budget committee</li> <li>• Election committee</li> <li>• Search committee</li> <li>• Roofing committee</li> </ul>

Committees can play a significant role in helping to achieve the goals and objectives of a community association. A CAM, if not directly involved in attending committee meetings, should make a point of being updated as to their activities. This may include requesting and accepting written reports from the committees on a routine basis, particularly when the reports are part of a board meeting agenda. Using best practices usually a CAM establishes a relationship with the committee and its chairperson, often providing guidance and procedures to help the committee work effectively. In this way management is working in a team-like manner with the objective of assisting the community association to achieve its goals and objectives.

### Part 3 Summary



*The role of a CAM can vary from one community association to another. This may mean that the CAM plays a significant part in a board meeting, by providing reports and other facts about the association's business matters since last the board met; assisting the board to conduct the meeting in compliance with statute, governing documents, rules and policies, and the use of best practices to keep the meeting contained to the business at hand, while remaining respectful of member attendees right to attend, participate, and speak at the board meeting.*

## PART 4: MEMBERS' RIGHTS

Legislative actions relating to the rights of owners for all types of community associations remain prevalent in legislation sessions over the years. Some of those owners' rights apply to HOAs. Some of these rights are reflected in other parts of this course, but next, we will discuss some that have not yet been mentioned.

### Common Areas

Regarding parcel owners' rights related to common areas, the association documents may include descriptions of the common areas, and the association may have created rules and regulations on the use of the common areas. However, sometimes these rights become blurred in the actions to enforce the governing documents. At times, a compliance committee or board may approach an issue subjectively rather than considering whether their interpretation of a violation is in fact a violation enforceable or prohibited by state and local laws and ordinances.



*This sort of response may put a CAM in a precarious situation. Here is an example of what we mean.*

### Example:

John went over to the outdoor recreation area with the intent of cooking a few hamburgers on the grill. John is an owner but a part-time resident who occupies the home with his father only six months out of the year. There are three propane grills in the recreation area, far enough away from the pool and other game areas to be safe, code compliant, and convenient. The problem arose when one of the compliance committee members also wanted to use a grill. John and this committee member are not very fond of each other, and when the committee member saw John using a grill, they announced to John that only full-time residents were allowed to use the common area facilities. If John wants to use a grill, he is required to make a reservation in the office for the day and time of use. This was absurd but it turned into a violation letter to John written by the compliance committee member, who then attempted to turn it into a fine. The committee member was unsuccessful, of course. This is just one example of the types of events that challenge HOAs, their boards, and CAMs, and sometimes lead to legal actions.

Part of F.S. 720 addresses the rights of owners. In this section of the statute, it's clear that all common areas and recreational facilities serving any HOA are available to HOA parcel owners and their invited guests for the intended use of those common areas and recreational facilities.

The association, which is responsible for the operation of the common areas and recreational facilities, may adopt reasonable rules and regulations pertaining to the use of the common areas and recreational facilities.

Additionally, the association may not unreasonably restrict any parcel owner's right to peaceably assemble or right to invite public officers or candidates for public office to appear and speak in common areas and recreational facilities. This may extend to similar gatherings. The board should consult the association attorney.

### Flags

The governing documents, rules or regulations of an HOA may not prohibit or restrict a homeowner from displaying flags permitted under law. A homeowner may display, in a respectful manner, up to two of the portable, removable flags that are not larger than 4 1/2 feet by 6 feet that represent one of the following:

- The United States flag
- The official flag of the State of Florida
- A flag that represents the United States Army, Navy, Air Force, Marine Corps, Space Force, or Coast Guard
- A POW-MIA flag
- A first responder flag. A first responder flag may incorporate the design of any other flag permitted under this paragraph to form a combined flag. For purposes of this subsection, the term "first responder flag" means a flag that recognizes and honors the service of any of the following:
  - a. Law enforcement officers as defined in F.S. 943.10(1)
  - b. Firefighters as defined in F.S. 112.191(1)
  - c. Paramedics or emergency medical technicians as those terms are defined in F.S. 112.1911(1)
  - d. Correctional officers as defined in F.S. 943.10(2)
  - e. 911 public safety telecommunicators as defined in F.S. 401.465(1)
  - f. Advanced practice registered nurses, licensed practical nurses, or registered nurses as those terms are defined in F.S. 464.003
  - g. Persons participating in a statewide urban search and rescue program developed by the Division of Emergency Management under F.S. 252.35
  - h. Federal law enforcement officers as defined in 18 U.S.C. F.S. 115(c)(1)

Additionally, regardless of any covenants, restrictions, bylaws, rules, or requirements of the association, a homeowner may erect a freestanding flagpole no more than 20 feet high on any portion of the homeowner's real property as long as the flagpole does not obstruct sight lines at intersections and is not erected within or upon an easement.

The homeowner may further display in a respectful manner from that flagpole one official United States flag, not larger than 4 1/2 feet by 6 feet, and may display an additional flag from the previous list as permitted by F.S. 720.304(2)(a). The additional flag must be equal in size to or smaller than the United States flag. The flagpole and display are subject to all building codes, zoning setbacks, and other applicable governmental regulations, including, but not limited to, noise and lighting ordinances in the county or municipality in which the flagpole is erected and all setback and locational criteria contained in the governing documents.

### Petition Rights

Another parcel owner right that legislation intends to protect is the right of parcel owners to exercise their rights to instruct their representatives and petition for redress of grievances before the various governmental entities of this state as protected by the First Amendment to the United States Constitution and F.S. 5, Art. I of the State Constitution.

### SLAPP Suits

The legislature recognizes that **strategic lawsuits against public participation (SLAPP)** suits, have occurred when members are sued by individuals, business entities, or governmental entities arising out of a parcel owner's appearance and presentation before a governmental entity on matters related to the HOA.

It is the public policy of this state that government entities, business organizations, and individuals do not engage in SLAPP suits because such actions are inconsistent with the right of parcel owners to participate in the state's institutions of government. It's the intent of the legislature that such lawsuits be expeditiously disposed of by the courts.

Furthermore, HOAs may not expend association funds to prosecute a SLAPP suit against a parcel owner.

### Ramps

At times, it may be necessary for a parcel owner in an HOA to construct or have constructed a ramp for a member of their household or an occupant. Regardless of restrictions against detached structures, the association may not prohibit any parcel owner from constructing an access ramp if a resident or occupant of the parcel has a medical necessity or disability that requires a ramp for egress and ingress under the following conditions:

- The ramp must be as unobtrusive as possible, designed to blend in aesthetically as practicable, and reasonably sized to fit the intended use.
- Plans for the ramp must be submitted in advance to the HOA. The association may make reasonable requests to modify the design to achieve architectural consistency with surrounding structures and surfaces.
- The parcel owner must submit to the association an affidavit from a physician attesting to the medical necessity or disability of the resident or occupant of the parcel requiring the access ramp. Certification used for F.S. 320.0848 shall be sufficient to meet the affidavit requirement.

### Security Signs

Many HOAs prohibit signs to be displayed on any portion of the association property, it may extend to prohibiting signs from being displayed on individual parcels, on the exterior of residence or in the windows. However, any parcel owner may display a sign of reasonable size provided by a contractor for security services within 10 feet of any entrance to the home. This does not preclude the association to have restrictions against other types of signs such as a "no trespassing" sign acquired from a local home supplies store. Many HOAs have strict guidelines as to the types of signs allowed, including dimensions of a sign and the type of anchoring. This is common when the association has provisions to allow but restrict for sale or for rent signs.

### Installation, Display, and Storage

A significant addition to the HOA statute relates to the rights of parcel owners to install, display, and store items that are not visible on their parcel. Specifically, F.S. 720.3045 provides that:

Regardless of any covenants, restrictions, bylaws, rules, or requirements of an association, and unless prohibited by general law or local ordinance, an association may not restrict parcel owners or their tenants from installing, displaying, or storing any items on a parcel which are not visible from the parcel's frontage or an adjacent parcel, an adjacent common area, or a community golf course, including, but not limited to, artificial turf, boats, flags, vegetable gardens, clotheslines, and recreational vehicles.



*This is another example of how a CAM can assist the board or its committees in enforcing documents appropriately. Reports on non-compliance should be documented and verified by the compliance committee and the CAM before sending a notice of violation because many turn out to be unenforceable. A CAM's effective guidance may save the association from attempting to levy fines on matters that cannot be enforced.*

## Fining

This brings us to the act of fining in an HOA. An association may levy reasonable fines for violations of the declaration, bylaws, or reasonable rules of the association. A fine may not exceed \$100 per violation against any member or any member's tenant, guest, or invitee for the failure of the owner of the parcel or its occupant, licensee, or invitee to comply with any provision of the declaration, the bylaws, or reasonable rules of the association unless otherwise provided in the governing documents.

In an HOA, a fine may be levied by the board for each day of a continuing violation, with a single notice and opportunity for hearing, except that the fine may not exceed \$1,000 in the aggregate unless otherwise provided in the governing documents. A fine of less than \$1,000 may not become a lien against a parcel.

Be careful not to impede a parcel owner's rights when imposing fines. A fine or suspension levied by the board may not be imposed unless the board first provides at least 14 days' written notice of the parcel owner's right to a hearing to the parcel owner at their designated mailing or email address in the association's official records and, if applicable, to any occupant, licensee, or invitee of the parcel owner, sought to be fined or suspended.

The hearing must be held within 90 days after issuing the notice before a committee of at least three members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. The committee may hold the hearing by telephone or other electronic means. The notice must include:

- A description of the alleged violation
- The specific action required to cure such violation, if applicable
- The hearing date, location, and access information if held by telephone or other electronic means
- A parcel owner has the right to attend a hearing by telephone or other electronic means.

If the committee, by majority vote, does not approve a proposed fine or suspension, the proposed fine or suspension may not be imposed. The role of the committee is limited to determining whether to confirm or reject the fine or suspension levied by the board.

Within seven days after the hearing, the committee must provide written notice to the parcel owner at their

designated mailing or email address in the association's official records and, if applicable, any occupant, licensee, or invitee of the parcel owner, of the committee's findings related to the violation, including any applicable fines or suspensions that the committee approved or rejected, and how the parcel owner or any occupant, licensee, or invitee of the parcel owner may cure the violation, if applicable, or fulfill a suspension, or the date by which a fine must be paid.

If a violation has been **cured** before the hearing or in the manner specified in the written notice required, a fine or suspension may not be imposed.

If a violation is **not cured** and the proposed fine or suspension levied by the board is approved by the committee by a majority vote, the committee must set a date by which the fine must be paid, the date must be at least 30 days after delivery of the written notice required.

Regardless of any provision to the contrary in an association's governing documents, an association may not levy a fine or impose a suspension for any of the following:

- Leaving garbage receptacles at the curb or end of the driveway within 24 hours before or after the designated garbage collection day or time.
- Leaving holiday decorations or lights on a structure or other improvement on a parcel longer than indicated in the governing documents, unless such decorations or lights are left up for longer than one week after the association provides written notice of the violation to the parcel owner.

## Part 4 Summary

In part four of this continuing education course, we discussed, maybe reminded many of you, or enlightened CAMs that are new to the industry on various aspects of members' rights. It's important for a CAM to understand the many provisions that have existed for decades and those provisions that have come into law related to HOAs within the past few years.

Hopefully, this information will help CAMs better serve, assist, and guide boards, committees, and members in compliance matters and the ability and processes to enforce the association's governing documents, its rules and regulations, and to know when to suggest that the association seek council from the association attorney.

## COURSE SUMMARY



*Thank you for joining us on this journey through HOAs' responsibilities. A CAM should use best practices when managing community associations. Best practices are a combination of statutory requirements, contractual obligations, and exercising excellent skills in communication, relationship building, team building, planning, organizing, and knowledge.*

You'll find a quick 10-question quiz in the front of the book. We hope this course helps you in your continuing CAM career!

## HOA CE REQUIREMENTS

This course combined with "Records Management" will provide CAMs who serve HOAs with the state required five continuing education hours pertaining specifically to HOAs. The particular CE categories they fulfil for an HOA manager are EH-1 (Recordkeeping), and EH-2 (HOA).

Remember that a CAM who services an HOA must register and complete an HOA Services Disclosure Statement on the DBPR portal. All CAMs must have an account on the DBPR Online Services portal.

### HOA Services Disclosure Statement - Introduction

On June 3, 2024, Governor DeSantis signed HB 1203 into law. Effective July 1, 2024, community association managers providing community association management services to HOAs are required to biennially complete at least five hours of continuing education that specifically relates to HOAs, three of which must relate to recordkeeping.

Note: Licensees who are exempt from continuing education requirements pursuant to F.S. 455.2124 (SB 382), will be exempt from all continuing education requirements including the additional continuing education requirements specifically relating to HOAs and recordkeeping.



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