

Condominium Governance Form

Department of Business and Professional Regulation

Division of Florida Condominiums, Timeshares, and Mobile Homes

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This document provides a general educational overview of condominium governance in accordance with F.S. 718.503(2)(a). If any conflict arises, the following take precedence over this publication:

- Chapter 718, Florida Statutes
- Rules adopted by the Division of Florida Condominiums, Timeshares, and Mobile Homes under the Department of Business and Professional Regulation
- The condominium's governing documents
- Reasonable rules set by the condominium association's board of administration

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Updated for 2021 – 2022

Role of the Board of Directors

General

1. The board of directors has a fiduciary duty to unit owners and must always act in good faith, putting the interests of the unit owners above their own.
2. The board is required to comply with the condominium documents, condominium laws, regulations, and association rules.
3. The board oversees and manages the association's daily operations.
4. The board has the authority to levy assessments, and to maintain, repair, and replace common elements or association property.

5. The board may hire a property management company, but remains ultimately responsible for proper management.
6. The board must provide a written response to any certified mail inquiry. A response must be sent within 30 days, or within 60 days if legal advice is sought, or within 10 days of receiving guidance from the division if such advice is requested.
7. The association must make its records available for unit owners to inspect within 10 business days of receiving a written request.

Meetings and Notices

1. Except in emergencies, associations must give at least 48 hours' notice for board and committee meetings, with notices posted clearly on association property.
2. Notice of the annual meeting, including the agenda, the budget meeting, and any meeting where a vote will be held on special assessments or rule changes, must be mailed, electronically sent, or delivered to unit owners and posted on the property at least 14 continuous days in advance.
3. For any unit owner meeting other than the annual one, written notice must include an agenda; be mailed, hand-delivered, or electronically sent to each unit owner; and posted in a visible place on the property within the timeframe set in the bylaws. If no timeframe is specified, at least 14 continuous days' notice must be given.
4. Written notice of any special assessment must clearly state its specific purpose.
5. A copy of the proposed annual budget and the budget meeting notice must be mailed, electronically sent, or delivered to each unit owner.
6. The budget must be proposed and adopted no later than 14 days before the start of the fiscal year.
7. The association must notify unit owners of any legal action that could expose it to liability beyond insurance coverage, allowing owners the option to intervene and defend themselves.
8. The board must allow unit owners to be heard at board or committee meetings, subject to reasonable restrictions.
9. Associations must provide notice of a hearing before a committee of unit owners before the board can impose a fine or suspend a unit owner's rights.

Elections

1. The association must send, either by mail or personal delivery, an initial election notice at least 60 days before the election date.
2. A second election notice must also be sent, including the ballot, inner envelope, outer envelope, and any properly submitted candidate information sheets, no earlier than 34 days and no later than 14 days before the election.

Association Finances

1. Unless otherwise stated in the governing documents, the board of directors has the right to impose assessments, including special ones.
2. Each year, the board must prepare a budget outlining projected revenues and expenses and provide it to unit owners, either electronically, by hand, or by mail, at least 14 days before the budget meeting. This budget must detail all estimated income, expenses, reserves for major repairs or replacements, and any special assessments.
3. The association must complete a financial report within 90 days after the end of the fiscal year, or on the annual date set in the bylaws. No later than 120 days after the fiscal year ends (or the bylaw-designated date), the association must either mail or hand deliver a copy of the financial report—or a notice of its availability—to each unit owner at the last address provided to the association. Upon request, a copy of the report must be delivered at no cost.
4. Upon a written request from a unit owner, the most recent financial report must be provided within 5 days.
5. The financial report must be prepared according to the following:
 - Financial Reporting:**
 - 6. If the association's annual revenues are \$150,000 or less, it must prepare a report of cash receipts and expenditures.
 - 7. **Compiled Statement** – Required for associations with annual revenues of more than \$150,000 but less than \$300,000 (Section 718.111(13), F.S.; Rule 61B-22.006, F.A.C.).
 - 8. **Review** – Required for associations with annual revenues of \$300,000 up to \$499,999.
 - 10. **Audit** – Required for associations with annual revenues of \$500,000 or more.

Responsibilities of Unit Owners

General

1. Any unit owner selling their unit must provide the buyer with: this governance form, the declaration of condominium, articles of incorporation, bylaws, association rules, the latest annual financial report, and the “Frequently Asked Questions and Answers” document available from the association.
2. Unit owners must comply with the condominium documents, applicable condominium laws, and association rules.
3. Each unit owner is responsible for paying their share of common expenses. Failure to do so may lead to liens or foreclosure by the association.
4. Unit owners may use common areas, provided their use does not interfere with or infringe upon the rights of other unit owners.
5. Unit owners must allow the association reasonable access to their units during appropriate hours for the following purposes:
 - a. To maintain, repair, or replace any shared/common elements;
 - b. To prevent potential damage to common elements or other units;
 - c. To maintain the unit as required under the condominium declaration; or

- d. To prevent harm to the common elements caused by a unit or multiple units.
- 6. Unit owners are not permitted to make changes to their units that could negatively impact the safety or structural integrity of the common elements, or any part of the association or condominium property that the association is responsible for maintaining.

Unit Owners are Entitled to:

- 1. Attend and take part in board and committee meetings, except in cases where the meeting involves the association's attorney regarding proposed or ongoing litigation, or when the purpose is to seek or provide legal advice, or when personnel issues are being discussed.
- 2. Submit a petition to the association board to place an item of business on the agenda at the next regular or special board meeting, if 20% of the voting members request it.
- 3. Record board, committee, or unit owner meetings, subject to reasonable restrictions.
- 4. Retain exclusive ownership and possession of their condominium unit.
- 5. Maintain membership in the association and full voting rights as provided by the condominium declaration. However, the association may suspend a member's voting rights if they fail to pay any required monetary obligations to the association that remain overdue for more than 90 days. This suspension lasts until all such obligations are fully paid.
- 6. Use the common elements and association property without paying a fee, unless such charges are authorized in the condominium declaration and approved by a majority vote of the association. However, fees may be imposed for expenses incurred by an owner having exclusive use of certain common areas or property.
- 7. Access the condominium's common elements, common areas, and facilities, along with their invited guests, provided it aligns with the condominium documents and properly adopted rules and regulations. However, the association can suspend this right if the owner, tenant, or their guest becomes delinquent in paying any association monetary obligation for more than 90 days. This suspension can also apply to unit owners who fail to comply with other condominium rules. Note: This suspension does not apply to limited common elements needed to access the unit, utility services, parking spaces, or elevators.
- 8. Lease or rent out their unit, or allow others to use the common elements and facilities, in line with the condominium documents. However, the association may suspend these rights for owners who are more than 90 days overdue in paying required obligations, until payment is made in full.
- 9. If a unit owner is over 90 days past due on any association monetary obligation, the association may also suspend the right of that owner or their tenant/guest to use common elements, community facilities, or association property if the monetary obligation is unpaid. This does not apply to limited elements necessary for accessing the unit, utility services, parking, or elevators.
- 10. If a unit owner owes more than \$1000 and is over 90 days late in paying any financial obligation to the association, their voting rights may be suspended.

11. Owners may review the association's official records, following any reasonable rules set by the association. Copies may be made at the owner's expense, if applicable.
 12. Owners have the right to attend and take part in meetings.
 13. Owners can vote on matters and elections, and bring concerns or issues to the board of directors.
 14. Owners may petition the county circuit court to appoint a receiver if the association fails to fill enough board vacancies to maintain a quorum.
 15. Owners may participate in voluntary mediation or mandatory non-binding arbitration to resolve specific disputes.
 16. Owners may vote to cancel any grant, reservation, lease, or contract made by the association before control was transferred from the developer to the unit owners.
 17. Owners can take legal action for damages or seek injunctive relief against the association, another unit owner, tenant, or guest.
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Elections, Voting

1. Unit owners must declare their intent to run for the board no later than 40 days before the election.
 2. Candidate information sheets must be submitted no later than 35 days before the election.
 3. When there are more candidates than positions available, voting must be done by written secret ballot or voting machine. Associations with 10 or fewer units may opt out of the statutory election rules if their bylaws provide an alternative.
 4. Owners may vote either in person or by limited proxy on all matters (except board elections) that legally require a vote. These include, but are not limited to, amendments to governing documents, reserve waivers, and changes to common elements.
 5. Owners may recall a board member through a meeting vote or written agreement, provided a majority of all unit owners approve.
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Association Budget

1. If the developer controls the board and adopts a budget that exceeds 115% of the prior year's assessments, unit owners may vote for an alternative budget.
2. If a unit-owner-controlled board adopts a budget exceeding 115% of the previous year's assessments, owners may petition for a special meeting to consider an alternative. A petition signed by at least 10% of the voting interests, submitted within 21 days of the budget's adoption, requires the board to call such a meeting.

For complete details, refer to the relevant statutes or rules. Visit www.MyFloridaLicense.com/ condo or contact the Division for a digital copy of the statutes, administrative rules, and additional information or resources provided by the Division of Condominiums, Timeshares, and Mobile Homes.