



## Ohio Revised Code

### Section 5311.081 Powers and duties of board of directors.

Effective: July 20, 2004

Legislation: House Bill 135 - 125th General Assembly

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(A) Unless otherwise provided in the declaration or bylaws, the unit owners association, through the board of directors, shall do both of the following:

(1) Adopt and amend budgets for revenues, expenditures, and reserves in an amount adequate to repair and replace major capital items in the normal course of operations without the necessity of special assessments, provided that the amount set aside annually for reserves shall not be less than ten per cent of the budget for that year unless the reserve requirement is waived annually by the unit owners exercising not less than a majority of the voting power of the unit owners association;

(2) Collect assessments for common expenses from unit owners.

(B) Unless otherwise provided in the declaration, the unit owners association, through the board of directors, may exercise all powers of the association, including the power to do the following:

(1) Hire and fire managing agents, attorneys, accountants, and other independent contractors and employees that the board determines are necessary or desirable in the management of the condominium property and the association;

(2) Commence, defend, intervene in, settle, or compromise any civil, criminal, or administrative action or proceeding that is in the name of, or threatened against, the unit owners association, the board of directors, or the condominium property, or that involves two or more unit owners and relates to matters affecting the condominium property;

(3) Enter into contracts and incur liabilities relating to the operation of the condominium property;

(4) Regulate the use, maintenance, repair, replacement, modification, and appearance of the condominium property;

(5) Adopt rules that regulate the use or occupancy of units, the maintenance, repair, replacement, modification, and appearance of units, common elements, and limited common elements when the actions regulated by those rules affect common elements or other units;

(6) Cause additional improvements to be made as part of the common elements;



- (7) Purchase, encumber, and convey units, and, subject to any restrictions in the declaration or bylaws and with the approvals required by division (H)(2) or (3) of section 5311.04 of the Revised Code, acquire an interest in other real property and encumber or convey that interest. All expenses incurred in connection with the acquisition, encumbrance, use, and operation of that interest are common expenses.
- (8) Acquire, encumber, and convey or otherwise transfer personal property;
- (9) Hold in the name of the unit owners association the real property and personal property acquired pursuant to divisions (B)(7) and (8) of this section;
- (10) Grant easements, leases, licenses, and concessions through or over the common elements;
- (11) Impose and collect fees or other charges for the use, rental, or operation of the common elements or for services provided to unit owners;
- (12) Impose interest and late charges for the late payment of assessments; impose returned check charges; and, pursuant to division (C) of this section, impose reasonable enforcement assessments for violations of the declaration, the bylaws, and the rules of the unit owners association, and reasonable charges for damage to the common elements or other property;
- (13) Adopt and amend rules that regulate the collection of delinquent assessments and the application of payments of delinquent assessments;
- (14) Subject to applicable laws, adopt and amend rules that regulate the termination of utility or other service to a commercial unit if the unit owner is delinquent in the payment of an assessment that pays, in whole or in part, the cost of that service;
- (15) Impose reasonable charges for preparing, recording, or copying amendments to the declaration, resale certificates, or statements of unpaid assessments;
- (16) Enter a unit for bona fide purposes when conditions exist that involve an imminent risk of damage or harm to common elements, another unit, or to the health or safety of the occupants of that unit or another unit;
- (17) To the extent provided in the declaration or bylaws, assign the unit owners association's rights to common assessments, or other future income, to a lender as security for a loan to the unit owners association;
- (18) Suspend the voting privileges and use of recreational facilities of a unit owner who is delinquent in the payment of assessments for more than thirty days;
- (19) Purchase insurance and fidelity bonds the directors consider appropriate or necessary;



(20) Invest excess funds in investments that meet standards for fiduciary investments under Ohio law;

(21) Exercise powers that are:

(a) Conferred by the declaration or the bylaws of the unit owners association or the board of directors;

(b) Necessary to incorporate the unit owners association as a not-for-profit corporation;

(c) Permitted to be exercised in this state by a not-for-profit corporation;

(d) Necessary and proper for the government and operation of the unit owners association.

(C)(1) Prior to imposing a charge for damages or an enforcement assessment pursuant to division (B)(12) of this section, the board of directors shall give the unit owner a written notice that includes all of the following:

(a) A description of the property damage or violation;

(b) The amount of the proposed charge or assessment;

(c) A statement that the owner has a right to a hearing before the board of directors to contest the proposed charge or assessment;

(d) A statement setting forth the procedures to request a hearing pursuant to division (C)(2) of this section;

(e) A reasonable date by which the unit owner must cure the violation to avoid the proposed charge or assessment.

(2)(a) To request a hearing, the owner shall deliver a written notice to the board of directors not later than the tenth day after receiving the notice required by division (C)(1) of this section. If the owner fails to make a timely request for a hearing, the right to that hearing is waived, and the board may immediately impose a charge for damages or an enforcement assessment pursuant to division (C) of this section.

(b) If a unit owner requests a hearing, at least seven days prior to the hearing the board of directors shall provide the unit owner with a written notice that includes the date, time, and location of the hearing.

(3) The board of directors shall not levy a charge or assessment before holding any hearing requested pursuant to division (C)(2) of this section.

(4) The unit owners, through the board of directors, may allow a reasonable time to cure a violation described in division (B)(12) of this section before imposing a charge or assessment.



(5) Within thirty days following a hearing at which the board of directors imposes a charge or assessment, the unit owners association shall deliver a written notice of the charge or assessment to the unit owner.

(6) Any written notice that division (C) of this section requires shall be delivered to the unit owner or any occupant of the unit by personal delivery, by certified mail, return receipt requested, or by regular mail.

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