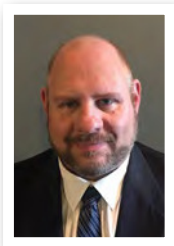


IMPROVING CONDOMINIUM SECURITY



By Scott Hill

The Importance of Condo Security

Condominium security has undergone many changes over recent years. Previously, security within a condominium building was a simple matter of ensuring that all the doors were locked and that the daily VHS tapes were changed in the CCTV (Close Circuit Television) system. The topic has become far more complex with the advancement of technology in security equipment. It is important to keep up with these changes in technology as it is not the only thing who is becoming more sophisticated: so are the criminals targeting our buildings. We are currently seeing an unprecedented rise in petty theft and damage incidents within condominium communities.

Research into the topic has shown that the usual targets for these criminals are the common element – hallways, stairwells, parking garages, vehicles, etc. Most reported security breaches are crimes of opportunity. They involve little to no planning on the part of the perpetrator. These crimes take the form of minor theft, break and enter into vehicles, vandalism, and similar petty crimes. The key to increasing the security of your complex is to ensure that these perpetrators are deterred, detected or delayed when trying to access the facility.

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Condominiums Security Systems are traditionally a hybrid of systems that have evolved over the years of existence of the condominiums. The initial security system is usually



installed by the developer and it is usually fairly minimalistic (both in scope and in refinement). In some cases, the system becomes rapidly obsolete making repairs or replacement very expensive. Additionally, the security system initially incorporated into the building make-up is rarely fulsome enough to protect the entire property. Cameras and other security measures are usually added on in a reactive and occasionally haphazard manner. Very rarely is there a plan in place to address both the upgrading of the technology and/or the replacement of worn out parts.

The goal of a security system is to ensure that all integral parts of that system work in harmony with the other parts – hence the Integrated Condominium Solution. Frequently, systems in place do not work in conjunction with other systems. By way of example, proper lighting within a condominium may act as a deterrent to prevent unwanted intrusions. A security camera acts as both a deterrent and a detecting mechanism. If the lighting is not sufficient for the camera to accurately record the events, then it's of limited use for the condominium.

This is where a Security Audit becomes an integral part of the condominium security plan.

Security Audit and Risk Levels

A security Audit will review the following systems within a condominium corporation and ensure that they are working in synchronization with one another. A security audit will review, and make recommendations, on the following systems:


- Access Control
- Intrusion Detection

- Security Lighting
- Video Surveillance System
- Physical Protection Systems
- Perimeter Protection
- Incident Response
- Security Redundancies and Contingencies
- Security Personnel – Guard Force, Policy, Procedures, Security Control Room, and Post Orders

The professional security audit differentiates from the one that is offered by the local Police departments in many ways. While an audit

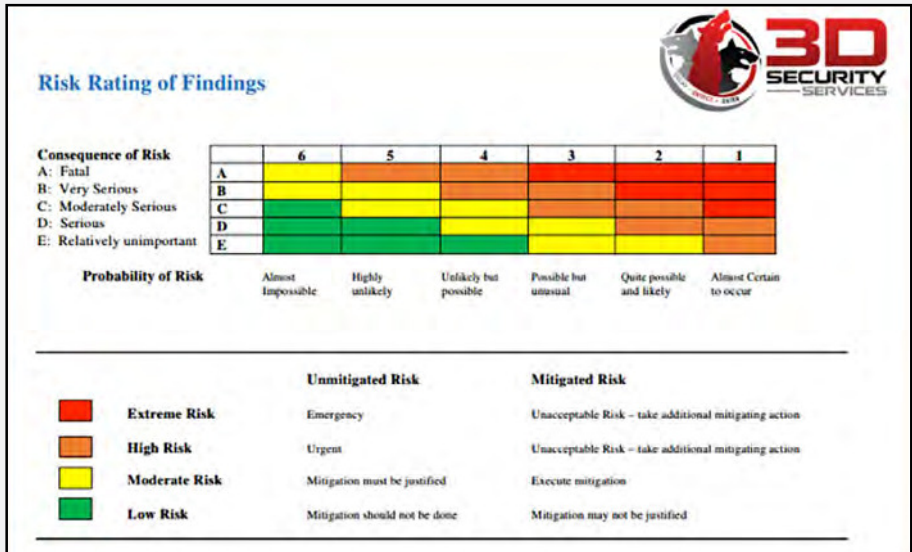
by the local police forces is a useful first step, the professional audit will address vulnerabilities and threats differently and far more comprehensively.

Another major difference with the professional security audit is that it goes far beyond a simple auditing (reporting on the findings) and goes into risk management. When a vulnerability is discovered within the condominium corporation, in addition to being reported, the vulnerability is also assigned a rating (see chart below) of risk. This is a crucial part of the value-add to the audit process in that it allows a Board of Directors to prioritize their actions and allocate the security dollars towards the most important security areas.



Complete Audit vs. Free Audit

	Complete Audit	Free Audit (Police)
# of visits to site	With the complete audit, the site is visited during day, night, weekdays and weekends (min. 5 visits)	Usually the site visit is conducting once – during a weekday, business hours - (when most people are out of building)
Risk Rating	The complete audit rates the vulnerabilities by risk in order to allow management to prioritize the recommendations	Usually no risk rating
Recommendations	Finding and Recommendations are precise "only 6 fc of lighting present – area should be increased to 10fc"	Recommendations can be vague " need more lighting in the front area"
Training	Eight security modules must be passed with a mark of 80% or higher - Continuing education points required to keep certification	2 weeks of CPTED training – Usually they act in the position for a 4 year term and are then move to another job.
Depth of Audit	Complete review of security integration and systems – including archiving, back-ups, database management, etc	Usually only review the exterior area and provide comments on lighting and environment
Knowledge of Condominium Processes	Recommendations should be presented in accordance with proper Condominium Governance.	Usually not aware of the restriction on Condominiums such as reserve fund expenses vs. operating expenses, substation changes to common element, etc.



The professional security audit also provides accurate and comprehensive recommendations to mitigate the risk to an acceptable level. These recommendations are used by the Board of Directors when comes time to prepare the operating budget, as well as updates to the Reserve Fund.

Residents of Condominiums further expect that their security dollars (condominium fees) are spent wisely with the best return on the investment.

Mitigating Risk and Losses

Condominium Board of Directors will be relieved to know that it is not all “Doom and Gloom”. The majority of findings in the security report are within the yellow (or moderate risk) category. When looking at the risk associated within the security system, the Board of Directors are confronted with three options:

- **Mitigating the risk** (ie Implementing the recommendations of the Security Audit)
- **Off-loading the risk** (ie, ensuring you have proper insurance to compensate the corporation when damage occurs)
- **Accept the risk** (ie doing nothing about it)

When an item is stolen or a common element damaged, the loss can be measured in two ways: tangible and intangible loss. The **tangible loss** is easy to measure: how much was the stolen item worth in dollar terms. If we use a stolen laptop as an example, the tangible loss would be the replacement value: how much would it cost to buy another computer. Therefore the tangible number or value is relatively easy to determine.

The **intangible loss**, however, is more problematic to determine and has farther reaching consequences. Using the same example, it could be the loss of the information that was on the computer (and presumably not backed up somewhere else). Items stolen can have sentimental value to the owners, making it difficult to adequately price out the loss. Finally, and perhaps most importantly, there is the loss of confidence that goes beyond the value of the stolen articles. As a result of a break and enter, the residents and board members may feel that their home is not safe and subject to a crime wave. Or, the condominium complex may get a reputation within the industry and with real estate agents that the building is not safe. When this happens, the residents look to both the Board of Directors and the Condominium Manager to take adequate steps to ensure that both they, and their investments, are properly protected.

Quickly, a relatively minor theft can have far-reaching consequences to the Board of Directors, the Condominium Manager, and the stakeholders within the corporation.

Challenges and Budgeting

Board of Directors typically face challenges both before commissioning a security audit, as well as after receiving one. The first hurdle that they usually face is finding the budget dollars to contract the audit.

As we are all aware, all the operating and reserve funds come from the same source, the common element fees paid by the owners. In this

manner, the security budget must compete with other (and sometimes more visible) projects for the necessary funds. Further compounding this problem is that when an Integrated Condominium Security Solution is in place, it is transparent or invisible to the owners – this may cause some owners to not fully appreciate the protection that the Board of Directors has put in place. As William Webster, former Director of the FBI so succinctly phrased it:

“ Security is always seen as too much until the day it is not enough ”

Once the report is received, Board Members can sometimes be overwhelmed by the report. A list of two pages of recommendations can be daunting. This is where it is important to utilize the Risk Rating Scale and understand that not everything needs to be implemented at once. The recommendations should be prioritized and can be implemented over time, or in some cases incorporated into updates to the Reserve Fund Study.

When it comes to budgeting for the Security Audit, Condominium Corporations have the option to fund from the Operating Budget, or under certain circumstances, from the Reserve Fund Account. In the case of *Little vs. Metropolitan Toronto Condominium Corporation No. 590*, the judge made two rulings that may relate to the security audit. First and foremost, the judge ruled that an expansion of the security system, including additional cameras and updating to a digital system, in circumstances where the existing system had been shown to be insufficient, constituted a legitimate reserve fund expense.

A second ruling that came from the case was that consultation fees (in this case – the cost of the Security Audit), when incorporated into a Reserve Fund project, is a legitimate reserve expense. In this manner, if a condominium is planning on taking on the upgrading of the Security System (common element), then the cost of the Security Audit can legitimately be charged to the Reserve Fund.

Conclusion

Security Awareness is rapidly becoming a relevant (sometime pressing) consideration in everyday life. With city intensification along with the ever-changing political and social environment, it has never been more necessary or challenging to ensure that your person and property are adequately protected. Condominium Board Members and Owners must ensure that their valuable security dollars are spent in the most effective manner that allows for the best return on their investment. A security audit provides a long-term plan to ensure that the facility, the owners, and their belongings are appropriately sheltered from harm. ■

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