

Locust Curve Homeowner's Association Meeting
The Financial Condition of Association
October 24, 2007 - 7:00 p.m.

A special October meeting was held in the gymnasium of Carlisle School with all officers and trustees present: Paul Mack, President; Sandy Mercurio, VP; John Cremer, Treasurer; Sandie Maynard, Secretary; and Jerry Maynard, Trustee. There were approximately 30 homeowners in attendance.

Agenda for the evening:

Welcome

Introduction of Trustees & Officers

Role of Trustees

Property Management History

Dues Collection Update

Why Does LCHA Need a Dues Increase?

Reserve Fund

Dues Scenarios

Special Assessments

Property Management

Sandy Mercurio, John Cremer, and Paul Mack read from the slides in the power point (above), then opened the floor for questions.

The following were the questions asked – and answered:

Why are the sprinklers not turned off in Sept?

They usually are turned off by this time, and will be soon.

Why are they hitting the street?

Improvements are needed to the system to correct this. Paul is currently adjusting manually.

How much money is spent on water each year?

Approx. \$400.

Comments from 3 in the crowd: 1) I don't water my own lawn, why should I water the front entrance? 2) \$400 is too much for water. 3)

Part of the reason I bought a house in Locust Curve was due to the well maintained look – I'm in favor of watering.

We disagree that the front entrance should not be watered. We have gotten very positive feedback from real estate agents on the appearance of our common property and believe that this is money well spent.

Have you considered going organic with weed control?

We have not, but will certainly consider it if someone has information to share. (Note: A homeowner left literature on organic weed control).

Are we not going to vote on dues increase?

No we are not. Unfortunately, since there has not been an increase in dues in over 8 years, the officers/trustees get no help from the community, and have even put their own money into the operating budget, we are out of money! In addition, because too many homeowners have not paid their dues in the past, we have no reserve fund. There is no choice but to raise the dues.

Comments from 3 in the crowd: 1) My budget won't allow \$195 per year. You need to find ways to keep dues from going from \$120 to \$195. 2) We're not beating up on you! We just don't want this much of an increase. 3) I never got a newsletter, welcome mat, nothing!

And I don't care about dandelions in the commons areas.

Did we collect dues on all the HUD homes?

Some, but not all. Foreclosures are not collectable.

How about rentals?

We still have 31 homes not paid – a mixture of vacant and lived-in homes.

Do we have an attorney?

Yes, but on-call only.

Who audits the books for the association?

Unfortunately, since we have so little money to work with, and no volunteers, the books have not been formally audited. The treasurer, however, keeps very good records and these records are reviewed regularly by the officers and trustees. (Books are open for review upon request).

Why can't we do our own dead tree removal?

We can, but the officers don't have the time or equipment – and no one has volunteered to handle it. (Note: Some homeowners left their contact information after the meeting, volunteering to help with this).

Do we mow the city owned land?

No, we only fertilize and put down weed control because the city won't do it.

How many mowings are we paying for each year?

28.

What can be done about the pond? It looks awful.

We have a contract with a company to maintain the pond, but our budget only allows a limited number of visits – not enough to properly care for it.

We are looking into adding fish to improve the pond.

Suggestion from crowd: Donate the pond to the city. Donate all the commons ground to the city.

The city doesn't want the pond, the land, or the expense to maintain them.

Can we invite someone from the city to come talk to us in April?

Yes.

When are the monthly meetings? Why don't you put the boards up to announce them?

We meet the 3rd Wed. of every month. Everyone is welcome to attend, we just need to know who is coming so we have enough room for all. Currently we rotate meetings between the officer's homes.

Why do you have \$1000 in the budget for flowers? Give me \$100 and I will plant flowers.

Will you plant them and maintain them all summer, too?

Why is our website so outdated? Would like phone numbers to call.

Paul: I do my best and all my time is donated – our website work is never hired out. I will check this out and update phone numbers.

How do we know PSAM will do what we want them to do?

Is PSAM an established firm with a good reputation?

Yes, they are an established firm with a good reputation. They have multiple developments in Delaware and central Ohio. We met with the president of PSAM for over two hours, and he answered every question we had – also the trustees will monitor their management. The contract contains a clause to allow us to “opt-out” with a written notice.

Can you guarantee that the dues won't go up this much again? (62%).

No guarantee - but it is highly unlikely that this will happen again. This increase is the result of over 8 years with NO increase.

Be aware that some in neighborhood are on fixed income.

Anyone who experiences a hardship in paying should contact the president of the association (Paul Mack).

If there are no audits of the books how do we know who has paid and who has not?

Paul has developed a very detailed database with all this information.

Will we still need a 'legal fees' budget line if we use PSAM?

Yes. It will still cost us if we need to go to court. Some things are out of the 'normal' scope.

Why not tell everyone in writing what budget is? Notify everyone in development, not just those few who show up at meeting.

We plan to announce the dues increase in the next newsletter.

What were our expenses in 2005 and 2006? How does it compare to 2008?

We have all this information but it was too much to share at this meeting.

Anyone who wants to review the books is welcome to.

It's a mistake to mow abandoned homes. Let the banks do it.

The banks will not do it and the entire neighborhood suffers as a result.

While we are paying to have these lawns cut, the money will be recouped when the home sells, except in cases of foreclosure.

Skip lawn care extras next year and drop administration fees. I propose dues of \$135 per year. I can see a 10-20% increase, but not this much.

*We've had lots of uncollected dues over the past few years due to the property management company's neglect. In addition, everything else has gone up in price over the past 8 years **except** our dues.*

Suggestion: Why not announce in a newsletter that we need people to donate flowers and time?

This has been done in the past, with no success; however, we could try it again and see what happens. It will not affect the dues for next year, though.

Who cares about dandelions in the lawn?

It seems that just as many DO care about weed control as those who don't. (Spoken after a show of hands of the attendees).

Why are some allowed 6 foot fences and others had to take them down?

Those who had to take them down were under city jurisdiction.

We need more newsletters and more flowers. Drop administration fees. Drop management company. Make dues \$135 per year.

Newsletter publication may increase once management property company is handling day-to-day issues. We hope to plant more annuals - as well as perennials.. We cannot drop administration fees and stay afloat. The management company is a must – this is a full time job! Charging dues of

\$135 (we're not sure what this number is based upon) per household, per year, simply will not pay the bills.

Will you be here next year (to Sandy)?

I will be here until April. I'm hoping others will come forward to help after that.

Thank you for taking the time to attend the meeting tonight.

The meeting was adjourned at 9:00 p.m.