

Oella HOA Board of Directors Meeting
Monday May 17, 2010, 7:00 pm, Westchester Center

Attendees:

Board members: Raina Rath, Amanda Lauer, Shari Youngblood, Dan Hood, Marcia Ames, Anne Altemus, Scott Hall

Residents: Susan Boyer, Henry Berger

Vistor: Adam Boyer

Called to order at 7:05 p.m. by President Rath and the meeting commenced. April meeting minutes were approved as amended.

Treasurer's Report

- Treasurer Hall reminded the Board that during the April meeting he established a goal of trying to find a way to keep the Board within its budget. He passed out copies of a potential 2011–2012 budget highlighting several possible scenarios (reduced management costs, parking changes, special increases, etc.).
- Dilemma: The Board is currently taking in far less money than it is spending.
- Treasurer Hall remarked that he had talked with Alan Mangan of ACM, and that Alan had described three levels of management offered by ACM: (1) a full suite of services; (2) a reduced set of services; and (3) a “bare bones” set of services that includes accounting, but not much else. He noted that the main difference between the full level of services and the reduced level are that the Board would have to deal with all bids, would not have a 24–hour emergency management service at its disposal, would be required to monitor its own contract performance, and would need to maintain a list of units . Treasurer Hall stated that he has asked Mr. Mangan to give the Board a quote for the reduced/partial level of services, and added that since the main difference between the full suite of services and the reduced level of services is the 24–hour emergency management service, it might make sense to cut back to the reduced level of services. Mr. Mangan commented that very few HOAs actually use the 24–hour emergency management service to begin with.

- Treasurer Hall mentioned that the HOA is currently spending approximately \$700 per year for the coupon books used for dues collection, and he strongly recommends that the Board consider going to an annual levy in their place. He reasoned that going to an annual levy would be a benefit in several ways: (1) if a homeowner were to sell his/her house, the prorated dues would be returned to them at closing; (2) it would allow the HOA to collect a bigger amount up front; and (3) although increased postage costs – due to more than one invoice more than likely being necessary – would be a real possibility, the overall cost would still be less than the \$700 the HOA is currently spending each year on coupon books.
- Treasurer Hall restated several recommendations, including: (1) the HOA should go to an annual dues levy and discontinue use of coupon books; (2) an attempt should be made to get the membership to vote on a parking assessment increase that would then be used for snow removal expenses
- Treasurer Hall noted that people are more likely to agree on a special assessment for tangible items, such as snow removal, collapsed retaining walls, etc.
- Director Lauer stated that she is still worried about the current year since the HOA has amassed nearly \$13,000 in snow removal expenses and that does not take December into consideration. She recommends a special assessment to deal with the deficit.
- Treasurer Hall stated that he feels that if a special assessment is levied, it should be tied to how the HOA pays for snow removal. In other words, it should take into account not only how the HOA will repair the damage done to the 2010 snow removal budget, but outline plans for how it will be handled in the future. He added that a special assessment can be levied now, but perhaps should be closer to the annual meeting. He estimates that it will come to approximately \$40 per house. He believes a “campaign” in support of the special assessment should be started at the end of the summer to include mailings, a posting on the HOA website, and public forums.
- President Rath noted that any special assessment needs to be structured so that it is both levied and collected in 2010.

- Treasurer Hall agreed that it should be done so that it is “locked in” by the annual meeting in November. He added that based on his new budget plan, no 10% dues increase will be necessary for 2012.
- Director Hood asked about the even larger reserve study deficit. Treasurer Hall remarked that there is indeed a reserve fund deficit of approximately \$308,000. Director Hood commented that people come and go in Oella, and that it puts an unfair burden on the people who happen to be living in Oella at the time of, for example, a \$100,000 special assessment.
- Vice President Altemus stated that it makes sense to warn people to start putting away money for when something of that magnitude actually happens. She added that people paying the parking assessment are contributing to the reserve funds, but the retaining walls are in fact for everyone.
- Director Ames stated that parking fees used to be based on the size of the lot in question, but reinstating that would be opening up a can of worms.
- Director Hood stated that retaining walls should be everyone’s responsibility.
- Treasurer Hall asked about the possibility of doing an assessment for non–driveway (thus no parking assessment) homes to pay for retaining walls, etc.
- Vice President Altemus noted that as hard as it is to collect money, she nevertheless feels it’s necessary to be prepared for very large immediate expenses such as a collapsed retaining wall. She feels that alternatives such as taking out a loan are not viable, because getting a large amount of cash from members to repay one would be very difficult.
- Director Lauer agreed, and added that many homeowners are already overextended on their own homes.
- President Rath suggested that the Board wait for the quote from Alan Mangen in relation to reduced management fees and then revisit the topic.
- Treasurer Hall noted that of the \$356,000 the HOA is recommended to keep in a reserve fund, \$202,000 (or 57%) specifically relates to parking areas. The largest single expense would be the replacement of the retaining wall at Logtown Road (\$30,000) and the retaining wall at Old

Stone Row (\$25,000). The wooden bridge replacement cost would be approximately \$22,000.

- Treasurer Hall noted that the Board should decide if it has the desire to levy a special assessment for certain high-dollar items, such as paving.
- President Rath stated that if that were to occur, the Board would have to have paving scheduled. She suggested the possibility of levying a special assessment for paving and then completing the plan in phases to show good faith (starting with Pleasant Hill, for example).
- Treasurer Hall recommended that the Board get a quote for the entire paving project and divide the amount by the 128 homeowners who use parking. He also noted that it might pose a problem to assess, for example, \$1,000 per house when some of those households would only get repaved parking a great deal later than others.
- Director Lauer noted that it would be necessary to get bids from several places first.
- Vice President Altemus stated that she would like to get quotes and thus lock in the cost.
- Mr. Mangen asked if parking lots throughout the community were to be repaved or repaired? Director Lauer stated that certain lots needed repaving, while others need only to be repaired.
- Director Lauer asked about the possibility of making the assessment proportional to the amount of common area each household is using. Director Hood asked how this would be determined. It was noted that at one point in the past the limited common area assessments were not equal, but it was unknown how/why they are currently equal.
- Mr. Mangen stated that his concern is having enough money in the reserve fund to pay for something catastrophic, and that by attacking the pavement, the HOA would be doing nothing for the retaining walls, thus getting away from the main objective. The Board needs to levy a special assessment, but cannot levy a special assessment to pad the reserve.
- Vice President Altemus replied that the parking lots need to be sealed, repaired, blacktopped, striped, and renumbered.
- Treasurer Hall asked how the Board overall feels about a special assessment to get the parking areas in good working order. President Rath replied that until quotes have been obtained, discussion of a special assessment should be put on hold.

- Director Hood remarked that a personal determining factor would be whether the special assessment were levied across all 161 homes in the association, or only the 128 with parking assessments. He added that the bylaws state that the HOA cannot levy a special assessment to do parking repairs across all 161 homes.
- **VOTE: Board agreed unanimously to get quotes and revisit the topic, with the possibility that a special assessment be levied to cover parking lot expenses.**
- Treasurer Hall noted that, if decided, quotes should be acted upon this summer and that all HOA lots need to be at least looked at, even the lot at Timber Point, and included in any quotes.

New Business

- A discussion occurred regarding harassment of a resident by another resident. The resident being harassed is in contact with the police. To protect the interests of the affected parties, details of the discussion are not included in the minutes. No resolutions were enacted.

ARC Update

- Director Ames noted that the violations at 745 and 772 Oella Avenue are not ARC issues; they are maintenance.
- ACM has done property inspections, and at some point, Director Ames will be doing ARC inspections.
- Mr. Mangen noted that, as far as 772 Oella Avenue is concerned, if the gutter has been replaced it is no longer an HOA issue. It has now become a neighbor-to-neighbor dispute.
- Director Ames noted that the neighbor adjacent to 745 Oella Avenue would like the Board to do something as far as the deteriorated state of the property (currently abandoned) is concerned. She feels that the state of 745 Oella Avenue strongly affects the value of her own property.
- Treasurer Hall noted that an absentee owner in arrears has been located and served with violation notices, and that over \$1,000 is currently owed to the HOA by this member. Mr. Mangen replied that if the Oella HOA repairs the property, it must be willing to accept that it is incurring the cost, because it is unlikely that the property owner will respond to any requests to pay. The owner can legally be presented with the bill, but in

light of the amount of money already owed to the HOA, it is unlikely he will ever actually pay for the repairs.

- President Rath noted that the HOA can foreclose on an HOA lien. The house can be sold at a foreclosure sale, subject to mortgage liens, etc., but this is a time-consuming process and will cost the HOA money. She added that she will check into the details of the property to determine if there is any equity in the property, and that the HOA can indeed foreclose on a \$1,000 lien.
- Treasurer Hall stated that the Board's role is to protect the values of the homes, and that the house should be repaired. Vice President Altemus asked if the Board has the legal right to do that if it doesn't own the property. President Rath replied that the Board does have the legal right to enter and repair.
- Director Lauer noted that the owner has already received notices concerning this property, and that the Board could start over again with the sending of the notices. Mr. Mangen stated that the Board needs to write a "cease and desist" letter, and would need to hold a fine hearing. If the member does not show up to this hearing, the Board can repair the house and add the charges to the bill owed by the member to the HOA. He added that the letter will go out with the annual inspection letter.
- Director Lauer asked if the Board can refrain from giving a 90-day notice (such as the one granted under normal circumstances) since the homeowner has already had more than a year to comply. Mr. Mangen said that it is possible to forego the notice period under these circumstances, and that a letter to the homeowner will go out this week.
- **NOTE: The property was discovered to be in foreclosure following the meeting. No repairs will be made at this time.**

HOA Landscaping and Common Areas

- Director Lauer stated that she did not have much to report this month. The grass is being mowed, trees have been planted, and everything has been mulched.
- Vice President Altemus inquired about the possibility of planting a tree in Jr.'s memory, and about asking for donations in order to do it.
- Director Lauer stated that she will post the project on the HOA's website, and send around an e-mail asking for donations for the tree.

- Resident Henry Berger noted that he has cleaned out the section of HOA property near his house over approximately four weekends, and that if the Board would like to help, he needs mulch and plants.
- Director Lauer responded that she has not yet spent all of the money she raised from the fundraising plant sale and has approximately \$75 remaining. She will pick up six bags of mulch for Mr. Berger using these funds.
- Resident Berger noted that he has many neighbors who have been willing to donate plants. Director Lauer suggested that they put newspaper under the mulch to control the weeds.

Guidelines Committee Update

- Secretary Youngblood, who is also a member of the ARC Guidelines Committee, asked what the Board has decided will happen to the Guidelines once a first draft is available for review.
- President Rath replied that it will come to the Board for comments, go back to the Guidelines Committee for revisions, and then will be posted on the HOA website for a 14-day review and comment period by the community. The community review period is not mandatory, and is not written into the bylaws, but the Board feels it only fair that the community be allowed to read the document and make comments before it is bound in its final form. Because the HOA's budget is extremely tight at the moment, and because much money will be spent on the final form of the document, the document will be posted online for community review; however, for those without online access, a copy will be made available at the Oella Company.
- Director Ames noted that, due to a recent complicated ARC discussion involving a member who asked for approval to install vinyl-clad wood windows on a Pleasant Hill (thus, historic) home, a fine-tuned section on windows would be necessary in the final version of the Guidelines.

Old Business

- President Rath noted that the decking and observation area at 811 Charles James Circle will be removed, but the retaining wall will stay. She specified to Susan Rapaport that a personal license should be granted to Joey Pulone regarding his swingset. Concerning the Drehoff fence issue, the Drehoffs were asked to arrange mediation but have so far done

nothing; thus, President Rath noted that she has a request in to Attorney Rapaport to schedule a fine hearing.

- Mr. Mangan stated that the Board cannot decide to fine him at a regular meeting. There must be a fine hearing (which Resident Drehoff would be expected to attend), then Mr. Drehoff must be asked to leave the room, at which point the Board would discuss the fine.
- Mr. Mangan asked if Resident Drehoff should be sent a notice to show up for a fine hearing next month. President Rath replied that a notice should be sent, as Resident Drehoff has not complied with the spirit of his violation letter.
- Concerning Charles Wagandt's erosion complaints, Director Lauer noted that she has been monitoring the area after every rain and there is no more erosion. Apparently, the erosion in question was an isolated incident that occurred after the heavy snow melt and rain this past winter. The ground was saturated.
- President Rath added that Mr. Wagandt has received complaints about sap droppings from a tree. Director Lauer stated that the tenant raising the complaints backs her vehicle up so far that her trunk is hanging several feet past the curb, which is where the droppings are landing. To avoid this, she could simply pull her vehicle forward slightly. Director Lauer does not believe that trimming the tree is a good idea.
- President Rath stated that Charles Wagandt, following the death of a local resident, would like to revisit the parking situation at 781 Oella Avenue.
- Vice President Altemus suggested that the parking committee be allowed to put together the history and facts of the situation, because there is not enough parking available to accommodate 781 Oella Avenue. Mr. Wagandt would like to give Jr.'s passes (the deceased resident) to the residents of 781 Oella Avenue.
- The concern is that Mr. Wagandt has some tenants who are parking on permanent guest passes.
- Treasurer Hall asked about the subdivision of Mr. Wagandt's property at 761, 763, and 765 Oella Avenue. Vice President Altemus noted that because so many cars that are affiliated with 761, 763, and 765 are around on weekends, other residents have trouble finding places for their guests to park.

- Mr. Wagandt told President Rath that he has been paying for parking at 781. Director Lauer stated that the Board had asked Ruthann to stop billing for 781 Oella Avenue long ago and will follow up with ACM.
- Director Ames noted that Mr. Wagandt's property is one lot and has never been subdivided. He will not be required to subdivide it until he sells it.
- Director Lauer stated that 736 Oella Avenue should receive a violation notice because complaints were received that there are more than two vehicles parked there at all times.

Meeting adjourned at 8:39 p.m.