

Bayberry Cove Bulletin

Manager's Corner

Next HOA Meeting

Tuesday, Feb. 21st

Lasting Impact

As the housing crisis and the economic downturn drag on, community associations nationwide continue to feel the harsh effects.

Many problems associations face are unrelenting and consistent. In a national survey conducted by CAI in October 2011, roughly 47 percent of the 578 managers who participated reported that foreclosures and delinquent assessments have had a "serious" impact on the associations they manage – a slight increase from about 45 percent in the same survey conducted in September 2010. Nearly 10 percent of managers classified the impact as "severe" two years in a row.

While many factors contribute to the hardships associations face, some managers believe that one issue can perpetuate more problems in a community. "Units literally can't be sold because banks will not lend for homes," writes Matt Schenecker, a manager in Fernandina Beach, FL. "Stagnant sales lead to disinterested unit owners who become lax in paying dues."

The percentage of association unit vacancies has remained relatively stagnant the last few years, according to the survey. Approximately 75 percent of associations report 5 percent or fewer of their units were vacant. The remaining 25 percent struggled with even greater percentages of unit vacancies.



Increased assessment delinquencies continue to plague associations. The percentage of associations facing a 6 to 10 percent delinquency rate nearly doubled from the pre-housing crisis days of 2005 – 16 percent to 30 percent. Even more troubling is that the percentage of associations facing an 11 to 20 percent delinquency rate increased from 4 percent in 2005 to 24 percent in 2011.

With operating revenue down significantly, associations are increasing efforts to collect delinquent assessments. Nearly 50 percent of managers report their associations are being “much more aggressive” recovering late payments.

“While boards understand the impact and are empathetic, they also realize it is a business, and therefore (they) must be less patient,” writes Susan Alber, CMCA, a manager of Association Management of Estes Valley in Estes Park, CO.

Associations have taken a variety of steps to stay afloat. Fifty percent have increased assessments. Nearly 40 percent have reduced contributions to the reserve accounts, postponed common area maintenance, reduced landscaping expenses and delayed major capital improvements.

Of course, efforts to keep associations viable sometimes go unnoticed by residents. Managers reported that 56 percent of owners are either “not at all” or only “slightly” sympathetic to the issues boards face. Some managers believe this happens when boards don’t explain the reasons for their actions.

“There’s a tendency (for the board) to hide behind the governing documents and say, ‘Well the documents say this is what we can do, so this is what we’re going to do,’ instead of helping (residents” understand the obligation that the board has,” says Linda Warren, CMCA, AMS, PCAM, president of Warren Management in Colorado Springs, CO.

Managers recommend that boards inform residents of important association news through detailed emails and letters. They also say board members should try to foster relationships with residents and make an effort to educate them about the board’s duties. While these efforts won’t solve every problem, they may help residents feel more willing to keep a community thriving during the economic crisis.

Common Ground

President's Corner

Hello fellow Bayberrians...

Well it's a new year and it's cold. I do love this area where we get a hint of spring every once in a while. I just can't imagine living in the far north with darkness, cold, and snow all the time. Now I just need to get my act together and get back to walking the dogs and going to the gym. I refuse to give the heart doctor one thin dime. So I guess that's mine, and many others, new years resolutions ...weight control. Long sigh.

This past Tuesday was our annual meeting for the neighborhood. There were 52 owners in attendance or there by proxy. On the table for vote was the basketball goal issue, (whether to put it up or not). You can read previous newsletters online for that story. The homeowners voted to keep the goal down. Also up for vote, were two openings for the board. Those spots were refilled with the existing officers, Scott Ramsay and myself. After the meeting, and per the rules, we all met and agreed to remain in our current positions. A draft of the minutes of this meeting will be posted on the web shortly.

After listening to some of the homeowners talking at the last meeting, the board realized that there is a misunderstanding of how decisions are made with respect to issues in the neighborhood. Just like our government elected officials, the board was elected to speak for and act for, the neighborhood homeowners as a whole. In other words, we represent the interests of those who voted for us. That said, during our bi-monthly meetings we make decisions all the time over money, contracts, home owners who break the rules, vendor selection, improvement projects, tax papers, surveys, the holding ponds, annual budget review/approval, and the list goes on and on. Not all of those issues are brought before the neighborhood. For instance, the selection of the vendor to take care of landscaping is a tedious task and one of our most costly line items. This selection decision is not brought to the whole neighborhood. Rather, the group of five who you voted to represent you handles this issue. This holds true for nearly every decision we have to make. We represent you and we represent ourselves, as we too have a stake in what happens to, and in, our little corner of the world. This is really a condensed version of the issues we deal with on your behalf. However, there are issues that we feel should be decided by the owners in mass. We try to bring those issues, as we become aware of their significance, for a full vote at the annual meetings if the decision does not have to be made right away. We sometimes miss that path from time to time, but we really do our best to get it right. I hope that you will be able to attend your HOA meetings from time to time to so that you can see where your dues are going and what issues are being handled for you.

In addition, I hope that this gives you a good insight into what the board does and how they represent you. We all are very committed to the homeowners' interests as we are homeowners too. We have kids, home values, and safety in mind for every decision we make as a team. As always, feel free to contact me or any other board member if you have a questions or concerns. Thanks.

Bayberry Cove HOA Board 2012
"A board the works"
c/o Todd Breeding - President

Architectural Review Board

Ugh, The Dreaded Power Bill

If you are like me you have noticed that the power bill just keeps going up and up. Before the power company can initiate a rate increase the SCC must give its approval after looking over the power company's financial records. You're probably saying to yourself "wow, if that's true, why does my bill keep going up". Well, the power company has a few other tricks up its sleeve. These tricks are more commonly referred to as fuel rate increases and riders. Fuel rate increases are for just what they are called, increases in the price that the power company pays for fuel such as coal, natural gas and uranium, used to fuel their power plants. This is supposed to be a pass-through cost with no markup for profit. The riders are fees that the power company charges to help fund the construction of new power plants, infrastructure upgrades and special programs. There are more riders in place now than there has ever been, in fact, the revenue generated for the last four riders totals and additional \$298 million a year. There are more than 11 riders for residential customers in place now.

Is there any relief in sight? Well, as these projects and programs become fully funded the associated riders should be closed. Unfortunately for us, the creation of new riders is always possible which seems to be the power company's hidden trend of generating revenue.

If you would like to learn more about what your power bill is really paying for, simply visit the Dominion Virginia Power web site at www.dom.com. Search for riders, you'll be amazed and probably realize the power company's philosophy of having its customers pay for its growth and expansion rather than the company itself.

James Rivoir



Social Committee

Out With the Old, In with the New

By Laura Fleming

Even though the group that braved the cold to attend the Christmas social held in Gum Court was small, the fire pits and hot drinks provided everyone with lots of heat to warm their bodies, while the camaraderie with their neighbors and the carols warmed their hearts. Once again the Social Committee worked hard to bring Christmas cheer and enhance the quality of life in Bayberry Cove. Please look forward to joining us next year.



The social committee is looking for new members...

It is an absolute pleasure to work with the dedicated, talented individuals, that are currently on the social committee. But the committee is not just for ladies. That's right! Guys are invited to join also. Thankfully the men on the Board are very much involved in the social committee events.

How about your teenager? What a great way to get into community service because that is what the social committee does; it *serves the community*. Tell them it looks great on college applications.

So, if you or someone you know are interested in improving things in Bayberry Cove and having fun doing so, come join the social committee, where every idea is considered good and everyone is welcome. New participants mean new, fresh ideas.

Can't make a full-time commitment? You can even pick and choose the events you want to assist with. How about volunteering to host an event on your street or in your court? Why not place this on your list of things to do in the New Year? Feel free to contact one of the current social committee members to find out when the next meeting or event is scheduled.

Upcoming activities for 2012 will be posted on the Bayberry Cove website. Look for the dates and timetimes. **Bayberry Cove needs YOU!!!**

Chocolate Covered Strawberries

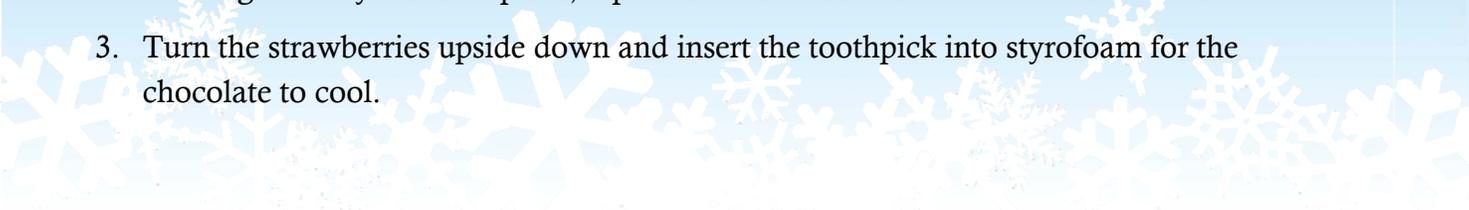
Ingredients

16 ounces milk chocolate chips

2 tablespoons shortening

1 pound fresh strawberries with leaves

Directions

1. Insert toothpicks into the tops of the strawberries.
 2. In a double boiler, melt the chocolate and shortening, stirring occasionally until smooth. Holding them by the toothpicks, dip the strawberries into the chocolate mixture.
 3. Turn the strawberries upside down and insert the toothpick into styrofoam for the chocolate to cool.
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Winter Weather Tips

When winter temperatures drop significantly below normal, staying warm and safe can become a challenge. Extremely cold temperatures often accompany a winter storm, so you may have to cope with power failures and icy roads. Although staying indoors as much as possible can help reduce the risk of car crashes and falls on the ice, you may also face indoor hazards. Many homes will be too cold—either due to a power failure or because the heating system isn't adequate for the weather. When people must use space heaters and fireplaces to stay warm, the risk of household fires increases, as well as the risk of carbon monoxide poisoning.

Exposure to cold temperatures, whether indoors or outside, can cause other serious or life-threatening health problems. Infants and the elderly are particularly at risk, but anyone can be affected. To keep yourself and your family safe, you should know how to prevent cold-related health problems and what to do if a cold-weather health emergency arises.

The emergency procedures outlined here are not a substitute for training in first aid. However, these procedures will help you to know when to seek medical care and what to do until help becomes available.

Visit the Center for Disease Control and Prevention (CDC) website for more information.
<http://emergency.cdc.gov/disasters/winter/about.asp>

Continue to stay informed about your community.

Keep checking bayberrycove.org for additional issues of the Bayberry Cove Bulletin newsletter.