

Ashcombe Farms Dover HOA
March 10, 2011
General Meeting Minutes

1. President Rich Farr opened the meeting and stated purpose of this General Meeting.
2. The Secretary confirmed there was a quorum. The Secretary confirmed accuracies of the proxies. 66 lot owners were present either in person or by proxy. 49 lot owners must be represented in order to have a quorum.
3. Secretary summarized the minutes of last meeting and noted that the full minutes of the Annual Meeting were on the HOA website. Mike Feldblum moved to accept the minutes. Lou Johnson seconded. Motion carried.
4. HOA Executive Board President identified the agenda items:
 - a. Vote was held on proposed regulation which would permit commercial vehicles to be parked on Deerfield Drive and Boxwood Court. Gina Rohler and Barbara Ryan counted the ballots. There were 56 votes against the proposed regulation. There were 11 votes approving the regulation. The proposed regulation did not pass. The current regulation prohibiting commercial vehicles being parked over night on Deerfield Drive and Boxwood Court will remain in effect.
 - b. Presentation by Esquire Realty Management Company, followed by questions and answers. These were the key points presented:
 - Esquire Realty Management, LLC has a law firm behind the management company. They are located in Dillsburg, PA. The lawyers associated with this management company have taught HOA law and are very familiar with our HOA because they are part of the law firm currently used by the HOA Executive Board to represent the legal interests of our HOA.
 - Esquire Realty Management Company has been involved with the process of setting up new HOAs and following the process of compliance, and other legal issues all the way through the court systems.
 - It was noted that the organization recently been formed; however, the lawyers and other employees have been working with realty management, including HOAs, for more than 8 years.
 - All legal fees associated with debt collection and non-compliance enforcement would be included in the fees paid by lot owners up to and including legal action at the District Magistrate level. Legal questions by the Board would be covered. The costs of legal action needed above the District Magistrate level would be at an additional cost but the fees would be a reduced rate.
 - Random non-compliance checks would be done three (3) times per week.
 - They currently manage two (2) other HOA's and both are smaller. One is in Dillsburg and one is in Carlisle.
 - Their company would provide expert advice on financial matters pertaining to the HOA. They could handle the collection of fees and payment of the bills at a higher price.
 - Their current bid to the Executive Board is for \$12.00 per lot.

- Any current contract with providers would remain in effect but when this contract is almost completed they would handle the bid letting and make a recommendation of a contractor to the Executive Board who would then approve and hire the contractor of the Board's choosing.
 - The management company cannot change the regulations, only the HOA community can do that.
 - They would continue to follow the debt collection process currently used by the Executive Board.
 - They would help the Board to set up a budget each year.
 - Lot owners who have complaints would contact the management company and not the Executive Board. If the management needed guidance from the Board, they would contact the HOA Executive Board president.
 - It was stated that a HOA management company will actually serve the community better than a volunteer Board can manage the HOA community. All regulations must be strictly enforced with no partiality. He stated that the judge at the District magistrate level already knows the attorneys from his firm several times and is very aware that the regulations here have been strictly enforced. That is a good thing because when we appear in court, the judge already knows the history of the HOA and that the HOA Executive Board has been unbiased in its dealings. This information is in our favor.
 - They are located about 20 minutes away.
- c. The secretary read the key points of the bid letter to the various management companies. The bid letter will be placed on the HOA website. The Board solicited response from at least six (6) management companies. Only two (2) HOA management companies returned bids to the Board. The Executive Board opted to retain the tasks of sending out the bills and fee collection in order to try and reduce the cost of a management company because the Board thought that was the most costly part. There have been no complete contracts negotiated with either of the two management companies who are making presentations tonight. Rich Farr reminded folks that this meeting tonight is one of the first steps in the process toward hiring a management company for the HOA. Rich also noted that when this was presented to the community before he was not in agreement with the hiring of a firm to manage the HOA. However, now that he sits on the Board and is Board president he realizes how much work and responsibility is involved, and he now recognizes the need for a management company. He noted the concern for business continuity between the changing of board members as being a major issue. Barbara Ryan raised the question how much have we paid to the attorney and then how much could that reduce the new amount needed to pay the management company. Rich Farr noted that we have not looked into this as of yet, but state that a basic estimate could be about \$3.00 per lot per month. But stressed this amount should not be considered a final figure, it is only an estimate. The board secretary will solicit referrals from each management company and will ask those referrals for other referrals.
- d. Presentation by Tidewater Property Management Inc., followed by questions and answers. These were the key points presented:

- The Tidewater HOA Management Company has been in operation since 1989. They have 25 employees. The presenter had handouts for both the Board and the lot owners present. The handouts gave information about the service provided by Tidewater Property Management, Inc.
 - They are Community Association Institute (CAI) members.
 - They are located in Owings Mills, MD – about one hour away. They are legally able to operate in Pennsylvania.
 - They will respond to emails from lot owners within 24 hours.
 - They will do random non-compliance checks.
 - Any current contract with providers would remain in effect but when this contract is almost completed they would handle the bid letting and make a recommendation of a contractor to the Executive Board who would then approve and hire the contractor of the Board's choosing.
 - If they send the bills for the fees and fee collection, lot owners may mail checks or do on-line payments. They use a bank firm that specializes in HOA fee collection.
 - They would help the Board to set up a budget each year.
 - Their current bid to the HOA Executive Board is for \$8.00 a month without fee collection and would be \$10 a month with fee collection.
 - They use a debt collection agency to follow through with non-payment of fees. They wait three months before sending a lot owner to the debt collection agency. The debt collection agency charges 30% of the debt to the HOA on a contingency basis. When the debt collection agency collects the delinquent money, they get paid.
 - Random non-compliance checks would be done about once a week – and more often if needed.
 - They currently manage 10-15 other HOA's between the Maryland/Pennsylvania border and Dover.
 - When legal issues arise, they will hire a lawyer at additional cost to the HOA. This legal cost will be passed on to the lot owner who caused the need for legal services.
- e. Mike Feldblum moved to adjourn the meeting at 8:35. Marlene Deneberg seconded. Motion carried. Meeting adjourned.

Respectfully submitted,

Judy Jackson
Executive Board Secretary

