



Winter 2011

# GreenBelt3 Association

## *A MUST Read for Everyone!*

Ohio's Planned Community Act for Homeowner Associations (Ohio S.B. 187), which was signed into law June 10 of this year, now brings the state into line with other HOA laws across the United States. ***Among its major enforcement provisions, this law mandates full property owner responsibility on matters of assessments and property compliance.***

Although property owners on Talbrock Circle are contractually bound by the governing documents as members of the Green Belt Three Association, some have not always regarded the payment of assessments or the maintenance of their property in the same context as their other obligations or priorities. However, the rules have now changed, favoring HOAs, and rightfully so. HOA covenants, when administered fairly, are designed to protect the maintenance standards and property values of local communities.

Now backed by the full enforcement of Ohio's new law, the GB3 Board of Directors approved a new strategy at its September meeting for the association to begin collecting on delinquent assessments owed by property owners and has already begun acting on that strategy.

### **A New Policy**

In the past when property owners failed to pay their assessments, the association would wait until two or three assessment payments had lapsed before taking any enforcement action, such as placing a lien on the property, even though GB3's governing documents permit the filing of a lien after a 90-day delinquent period. ***However, because more property owners have become delinquent in their payment of assessments, a new enforcement policy has been put into effect that will adhere more to the 90-day delinquent period. And in addition to placing liens on delinquent properties, the association will also consider filing claims for collection in the municipal court system of Columbus, particularly small claims court.***

The new policy is already in effect for two property owners who were given notice in November that GB3 would be pursuing collection of their overdue assessments via small claims court if they continued to neglect their contractual obligations. Unlike individual claims court cases, companies and organizations seeking a judgment must have

legal representation. As expected, GB3 will have its legal counsel handling the cases. These property owners, of course, have no legal defense for this action because assessments are required by law. It should also be noted that these homeowners are neither unemployed nor underemployed, so there are no hardship conditions that may apply.

***As part of the claim judgment, property owners will be responsible for paying ALL legal costs and filing fees (\$441) incurred by the association. Additionally, a property owner will be responsible for paying all legal fees (\$160 per hour plus a \$20 filing fee) associated with the wage and/or bank garnishment process if he or she does not pay the claim judgment promptly.*** For example, if a homeowner owed the association \$210 in back assessments, the claim judgment rendered by the court would be no less than \$651. The price for noncompliance becomes considerably more when taken to court.

In summary, the governing board of GB3 regrets having to pursue these legal actions. But when no cooperation is received after nearly a year of trying, few options are left. Furthermore, the fact that several property owners have not paid their assessments will result in higher assessments for everyone else in 2011. This is a trend that needs to end.

## **Assessments Going Up in 2011**

The GB3 Board of Directors approved in November both the proposed budget for 2011 and an assessment increase of \$20, which will be split between the two assessment billings in February and August. Thus, your February assessment invoice will be \$115. The approved budget is published on the back page, along with the most recent financial summary for 2010.

The assessment increase is strictly a matter of economics: delinquent assessments are putting a strain on the overall budget. If you examine the financial records on the back page, you'll note that the starting treasury balance for 2011 is nearly \$600 less than that for 2010. It would be considerably worse if not for the late summer and fall drought, which saved considerable lawn care expenses. However, no organization should have to rely upon good or bad weather conditions to balance a budget.

## **Info Center**

### **GB3 Governance Board**

Because no nominations were submitted in the fall for director or officer positions as requested in the last newsletter, the following directors will continue to serve for the 2011 calendar year:

Bob Luce, President (2947)  
Debbie Croft (2973)  
Ann Hill (2999)

The following incumbent officers will also continue to serve this year:

Steve Storts, Treasurer (2985)  
Karen Weldon, Secretary &  
Assistant Treasurer (2977)

As always, in the case of uncontested director or officer posts or when no nominations are submitted, voting ballots are not distributed in the best interest of saving administrative overhead and postage costs.

### **Assessment Payment Option**

GB3 members have the option of paying their assessments in installments. However, if you choose to do so, please must keep track of your installment payments. The association does not mail updated invoice statements. Also, your balance must be \$0 before the next assessment billing to avoid late charges.

By comparative standards, GB3 is a small homeowner association, with only 28 members. When one or two property owners fail to pay their assessments on time, it creates an inconvenience, but there is a budget reserve to help offset those revenue losses. In fact, there are currently two vacant houses on Talbrock Circle; hopefully, there will be new ownership of those houses by the end of next year, but no one can predict that scenario. However, when four to six property owners withhold assessments, the financial impact is too significant to ignore. After all, how would you like having your paycheck cut by 20 percent?

As noted in the lead article on this page, the GB3 governing board is not sitting back and accepting the current status quo. Property owners who are delinquent in paying their assessments will be addressed through every legal recourse available.

## FINANCIAL SUMMARY

January 1, 2010 to December 15, 2010

ITEM	INCOME	EXPENSE
<b>BEGINNING BALANCE</b>	\$ 2,019.63	
Assessments, reimbursements, late fees & penalties	5,496.51	
Escrow funds (carryover from 2009)	1,371.00	
Legal services		\$ 347.87
Liability insurance		460.00
Maintenance of common areas:		
• Grass mowing/lawn care		2,412.58
• Tree trimming & yard waste removal		00.00
• Common parking area surface repairs		824.57
• Common parking area surface resealing		737.00
• New signage for center common area		100.00
• Mailbox repair/replacement & structural repairs		00.00
Snow removal (optional)		575.00
Publishing & printing		110.00
Postage & office supplies		106.26
Web site development		350.00
Administrative services & miscellaneous		25.00
Legal & maintenance funds (escrow)		1,371.00
<b>TOTALS</b>	<b>\$ 8,887.14</b>	<b>\$ 7,419.28</b>
<b>ENDING BALANCE</b>	<b>\$ 1,467.86</b>	

## ANNUAL BUDGET

January 1, 2011 to December 31, 2011

ITEM	INCOME	EXPENSE
<b>BEGINNING BALANCE</b>	\$ 1,467.86	
Assessments (projected)	5,980.00	
Escrow funds (carryover from 2010)	1,371.00	
Legal services		\$ 572.78
Liability insurance		475.00
Maintenance of common areas:		
• Grass mowing/lawn care		3,300.00
• Tree trimming/stump removal		500.00
• Common parking area surface repairs		230.00
• Mailbox repair/replacement & structural repairs		220.00
Private parking area surface resealing		1,400.00
Snow removal on Talbrock Circle (optional)		300.00
Publishing & printing		125.00
Postage & office supplies		125.00
Administrative services & miscellaneous		200.08
Legal & maintenance funds (escrow)		1,371.00
<b>TOTALS</b>	<b>\$ 8,818.86</b>	<b>\$ 8,818.86</b>