



The Regenesis Report



National Edition

Innovative Homeowner Association Management Strategies

Priceless

Regenesis means making new beginnings using eternal principles in innovative ways.

Regenesis believes that the goal of every homeowner association board should be to promote harmony by effective planning, communication and compassion.

The Regenesis Report provides resources and management tools for just that purpose. Every month, articles of common interest to homeowner associations nationwide are offered along with innovative strategies for addressing common problems.

Managing an HOA can be a lonely and frustrating task. Take heart. Help is on the way.



RICHARD L. THOMPSON
EDITOR & PUBLISHER
rich@regenesi.net

Regenesis, Inc.
PO Box 19605
Portland OR 97280

www.Regenesi.net

PH 503.481.7974

Nail Shortage

One of the earliest advocates of preventive maintenance was Ben Franklin. He wisely wrote: "A little neglect may breed mischief...for want of a nail, the shoe was lost; for want of a shoe the horse was lost..." Old Ben nailed what happens when seemingly minor things are overlooked. Little things have major impact on the assets of a homeowner association. For example, a small lack of flashing can lead to major dryrot structural problems.

Preventive maintenance is critical to managing an HOA's common assets. When executed properly, it extends the useful life of buildings, grounds and equipment. S-t-r-e-t-c-h-i-n-g out useful lives means s-t-r-e-t-c-h-i-n-g the HOA's money. And it substantially reduces downtime from component failures and equipment malfunctions. Preventive maintenance involves fixing something *before* it breaks. Here are five objectives for a every preventive maintenance program:

1. To perform maintenance that keeps the property safe and functioning.
2. To promote the most effective and efficient use of resources.
3. To provide an accurate way of estimating the human resources needed for proper operation and maintenance.
4. To determine funding requirements and long-range planning projections.
5. To provide a way to evaluate the maintenance effort.

Preventive maintenance programs are common with elevators, HVAC and pool equipment, usually because there is a service contract. Other components like paving, roofing, decks and paint require monitoring, money and planning must be done thoughtfully.


Functional obsolescence is also a legitimate concern. Lack of parts, improvements in energy efficiency, computerization and changes in fire and building code may make expensive equipment obsolete even though it's working as designed. This is particularly applicable to elevators, boilers, pumps and

HVAC. Buying new equipment is often an investment in reduced operating costs. For example, by replacing all common area lighting with LED bulbs, the light level will be significantly increased, the energy consumption reduced and the useful life of each bulb extended by 10-15 times thereby saving an enormous amount of labor costs. Rather than waiting for old technology bulbs to burn out, it makes sense to replace them all...*today*. Within 12-18 months, the cost will be recouped in energy savings and then, it's money in the bank.

So, what is the best way to address major preventive maintenance? Two words: Reserve Study. A Reserve Study identifies all the significant components that the HOA is responsible to maintain, assesses current condition, cost of repair and replacement and charts a 30 year maintenance plan to keep the components in their best condition.

The Reserve Study includes interval maintenance so components survive to a ripe old age. Take paving for example. If cracks, minor repairs and seal coating are performed every three to five years at about 25¢/square foot, the pavement will not require a major overlay (about \$1.50 per square foot) for 30 years. If this relatively inexpensive preventive maintenance is not done, major repairs will be required much sooner which are significant and costly. Pay a little to save a lot.

A Reserve Study will also guide the board how to systematically accumulate funds *without special assessments*. A proper funding plan will have *all* owners contribute over the time line. No one will get a better deal than anyone else and the money will be there when needed. The Reserve Study is absolutely the best way to prepare for a future which will certainly come to pass. Remember Ben's nail analogy. Neglecting the little things has a way of causing great calamities to befall the HOA.

For a list of qualified reserve study professionals carrying the Professional Reserve Analyst (PRA) credential, go to www.apra-usa.com 

Ask the HOA Expert™

Q At a recent annual meeting, an owner was elected that volunteered to act as President and property manager for no pay. She submitted reimbursement requests for office supplies and mileage related to HOA business. But recently, she asked the board to waive her HOA fees because she is performing the role of property manager. It seems to be a conflict of interest.

A Most HOA governing documents prohibit board members from receiving compensation. While reimbursements are appropriate, waiving her fee is HOA not. It is just another way of receiving compensation and a clear conflict of interest. If she wants to be paid for her work, she should resign from the board.

Q Can a board member also serve on a committee or should they just act as a liaison between the committee and the board? One of our committees does not want board members to attend their meetings.

A Yes, board members can serve on committees and often do. Committee meetings typically are not open to non-committee members. This committee may be up to something it shouldn't be. Committees should have clear marching orders. If a committee goes "rogue", the board can terminate it since it exists at the pleasure of the board.

Q We are going to have our annual meeting soon. There are two positions for the board coming up for election. We have two people that want to run but one is not eligible because of an outstanding HOA fee balance. He says he's going to clear it up by election time. Should we consider him a candidate?

A Assuming the governing documents define "eligibility" they way you describe, no one can be a candidate for the board unless they are current with money owed to the HOA. So, you only have one eligible candidate at this point. If the delinquent member who wants to be a candidate makes good on his promise

to pay, he can nominate himself at the annual meeting.

Q Our HOA board enacted a unit sale transfer fee of \$1000. This is creating a disincentive for potential buyers. Does the board have the authority to do this?

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A Transfer fees can be charged if there is actual cost incurred by the HOA in handling paperwork and physical move-in or move-out tasks. For example, when moving in or out of a high rise condominium, special parking might be needed for the moving truck as well as reserving an elevator with special wall padding installed. Special janitorial is often needed to clean up after the movers. The entry access system often needs to be reprogrammed as well as parking garage openers. In this kind of scenario, the HOA is incurring real costs and is entitled to recoup reasonable costs to facilitate the move.

However, sometimes the transfer fee has no basis in cost but is used as a way to extort money from new owners who have no choice but pay it, kind of like a hotel tax for tourists. The justification is often that the transfer fee will be added to reserve funds. The problem is, new owners do not owe money to reserves since they have not yet enjoyed the benefit of the common elements. Any deficit in reserves is

owed by current and past owners not by new owners.

While the board does have the authority to enact reasonable fines for failure to abide by the rules or pay dues as agreed, it does not have authority to impose special fees on new owners over and above what it really takes to execute the task (change the lock, the records, etc.). Anything more is considered a special assessment on a select group of owners. The board has no authority to special assess certain owners merely because they are new (or landlords, another common target for special fees or treatment).

That said, if the members vote to approve a fee which all members pay including the owners already in residence, it would probably pass muster.

Q Our HOA doesn't have a enforcement procedure for addressing violations like: 1st notice, 2nd notice, fine. We have a "no parking on the street rule" in the HOA. If the HOA does not have an enforcement procedure, would the HOA be held liable if a child were to run out from behind a car parked on the street and be seriously injured or killed?

A This question raises several important issues relating to rules and their enforcement:

1. What are the ramifications for failing to enforce a rule? Not all rules are created equal. The three major categories of rules involve people, pets and parking. Each one of these categories can address or involve a safety issue. Safety ranks higher in the hierarchy of rule enforcement than, say, curb appeal issues. For example, people that smoke can create a second hand smoke health hazard for their neighbors. Physically aggressive dogs can attack people. Cars parked in the HOA's fire lane can block emergency response vehicles like fire trucks and ambulances. If the rule issue involves personal safety, it behooves the board to take enforcement more seriously.

2. Why have rules without consequences? Rules without consequences beg violation. If something is worthy of a rule, there

must be an effective penalty for violation. Penalties should be reasonable and fit the crime. In the case of second hand smoke, the penalty may be a ban on the smoking in the common area. In the case of the aggressive dog, either the owner keeps it securely under control while in the common area or remove it permanently from the HOA. In the case of a fire lane violation, immediate towing is the best and most expedient enforcement.

3. Should unenforced rules be purged? Rules with no consequences should be un-ruled. Reasonable people need few rules. Unreasonable people will not respect rules that restrict something they want to do. So enact only the few needed rules that aren't already codified by the local government. And make sure they have effective penalties for the scofflaws.

That said, is the HOA responsible for a child getting hurt while running out between illegally parked cars? The HOA's liability insurance typically covers injuries that happen in the common area so from that perspective, yes. Is the HOA responsible for a 24/7 parking patrol? No. However, if there is a No Parking Zone, there should be a reasonable procedure for penalizing or removing violators. But since enforcement usually falls on HOA volunteers, it's a hit and miss proposition. Does that mean the HOA should not have parking regulations? Absolutely not. It just means the enforcement procedures vary according to the budget available to enforce them. In those HOAs with volunteer enforcement, parents should watch their children closely.🚗

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Newsletter Nuances

Unless your homeowner association transacts all its business town meeting style, a newsletter is essential to keep the owners informed. Almost all communities should produce one at least four times a year. There are

"tricks of the trade" to increase its effectiveness and readability. Here are the notable nuances:

1. Keep Articles Short. Get to the point. Headings and bullet points grab readers' eyes as they scan.

2. Include Good Stories. Newsletters can be much more than information. Profile your board committee members. Include a Newcomers section. Promote events. Include a Q&A section even if you have to make up the questions.

3. Put "Hook" into Your Headlines. A good headline reels a reader in. For example, "Board Raises Assessments" will pique more interest than "Board Passes New Budget". Use puns, rhymes plus movie, TV and book titles into your headlines. For example, if a wind storm tears off a roof, try "Gone with the Wind."

4. The Facts. Stories should include who, what, where, when, and how information. If the cover story announces a new rule, explain why the rule was enacted, who it applies to, when it's effective, and how it will be enforced. Don't leave them with more questions than answers.

5. Lead with Power. Lead off with high impact information. For example, instead of "The Board discussed ways for getting residents to comply with the pet policing policy, try "The Board discussed a new **stock and pillary** enforcement policy for residents who don't police their pets."

6. Proofread. Use a second set of eyes and always double check the spelling of words and names, punctuation (particularly the use of apostrophes) and grammar.

7. Use Photographs. Photos help neighbors meet neighbors. Actions shots work best. Include descriptive captions.

8. Share the Good News. This is a golden opportunity to publicize accomplishments and things to come.

9. Standardize Your Look. Software like Microsoft Publisher and PageMaker offer attractive templates. Pick one and stick to it. Use no more than three different

typefaces to avoid a busy and cluttered look.

10. Use White Space. White space frames the content and gives the page breathing room.

11. Use a Readable Typeface. Serif typefaces like Garamond, Times Roman and New Century are easier to read than sans serif typefaces like Helvetica, Futura and New Gothic. San serif works for headlines. NEVER SET BODY TEXT IN ALL CAPS--it's difficult to read and intimidating. Use *italics* and **bold** sparingly...mainly for impact.

12. Humorize. Include jokes and cartoons to liven it up.

13. Post It Online. While the paper chase will be with us for some time, the internet is a terrific way to reduce costs and improve efficiency. Anything you can lay out on paper can be done on your own HOA website *and more.*

Newsletters can inform, tweak and pique interest. Informed owners tend to be more supportive of board business and more likely to become involved as volunteers. Nuance your newsletters to unify and harmonize.🌱

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Newsletter Basics
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Quelling the Quarrel

"Quarrel" has been defined as "the minimum number of people required to hold an argument". One of the many challenges facing HOAs is resolving disputes between neighbors. Noise, parking, garbage, pets, trees, fences and other territorial based conflicts can erupt any time. Most conflicts result from false assumptions and (according to the prison warden in "Cool Hand Luke") a failure to communicate. Neighbors, wanting to avoid confrontation, stew over issues until their emotional pot boils over, usually scalding innocent bystanders. What now?

Conflict is a natural part of human relationships. Self interest is a top

priority while others interests are usually somewhere down the list (WAY down). People become embroiled because interests or values are challenged. Here are a few suggestions for quelling the quarrel:

Know What's What The board wasn't elected to babysit or police neighbor squabbles. Some issues are the HOA's, some are not. Don't take on personality conflict issues. People that can't get along often look for others (you) to blame. Don't get involved unless it affects the general harmony of the community.

Let Them Deal With It If the issue is a personality conflict, suggest they discuss and resolve it like adults. If the won't, let it go. Don't encourage immature behavior.

Clarify the Issue IF the issue impacts the whole community, clarify it. What seems to be isn't always what is. Ask each party what they think "is" is.

Facilitating Discussion If the HOA's interests are involved, here are several tips for facilitating the discussion:

- ★ Schedule a convenient time to talk
- ★ Agree on a neutral place for the meeting.
- ★ Stick the facts. Steer clear of "He said, she said".
- ★ Avoid blaming, insults and exaggerations which make it difficult to consider other viewpoints.
- ★ Listen, even if you disagree, to better focus on the issues.
- ★ Defuse hostility. Let them know you understand they are angry or upset. Explore what's behind the emotion.
- ★ Direct the conversation toward solutions.

Question their assertions:

1. Too many/much/little/few. Compared to what?
2. You never... What would happen if we did?

3. We've tried that already... What was the outcome?

4. The only way is... Yes, that's one option. Any others?

5. It will never work... What *would* work?

Good conflict resolution focuses on needs, not positions. It is indeed possible to quell the quarrel. Harmonizing your HOA should be a top priority. 🚧

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Speed Demons

Drivers who speed within a homeowner association can be a deadly problem. Speed limits are designed to keep residents safe. Factors such as street location, street size and number of vehicles per day are all used to determine the safest speed vehicles should travel. The board has a duty to take reasonable measures to protect the residents. Here are some ways to address this issue.

1. Create a Traffic Safety Committee to research the speeding problem and provide solutions to reduce speeding.
2. Check with your city to find out if they have a speed awareness or speed reduction program.
3. Remind the members regularly of the speed issue with your newsletter, website, bulletin board and notices.

4. Place a speed radar unit on streets where there is a speeding concern. They display each passing driver's speed to remind them of the speeding issue. Some municipalities will provide this equipment free or for rent. You can

purchase your own unit on the internet if you have an ongoing need and multiple locations to monitor. Some units come solar powered.

5. Use a radar tracking device. The Traffic Enforcement Committee can use a hand held radar unit and camera to monitor and record traffic speed and vehicle information. If they are residents or owners, send a letter informing them of the violation and request that they obey posted speed limits. If they are a non-owner, the information can be turned over to the police for further action or as evidence that more police speed monitoring is needed.

6. Make sure speed signs are posted and clearly visible. They can be purchased on the internet in a variety of sizes.

7. Use speed humps, traffic circles and traffic diverters. Your local municipality will have specifications and requirements for these speed reducers. You will need a permit to install them.

8. Contact HOA vendors who speed. Having the ability to cancel their contract for non-compliance is a heavy hammer.

9. If you have private streets and posted speed limits, fine repeat offender owners after written notice. If streets are public, ask the police to monitor areas of concern. If the won't, use the radar option. It does work.

Speed demons in a homeowner association are an accident waiting to happen. Use these "pitchforks" to remind them that there will be hell to pay if they don't change their evil ways. 🚧

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7 Tips for Persuasion

The statement "no man is an island" is an undeniable truth. We need the support and cooperation of other people to help us reach our goals. Successful people know that one of the most important abilities is persuasion. Here are some tips to do it effectively.

1) Enter Their World. Try to put yourself in the other's shoes and understand the situation from their point of view. Set aside your personal interests and concentrate on them. Ask yourself if you are them, what would you do? What would be your opinion? Then take the appropriate action that would be beneficial to them.

2) Mirror Body Language. People feel comfortable with those who are like them. Copy the person you are trying to create a connection with. Observe how they act, how they speak, and how they think. If they rub their forehead while they think, act like them. If they speak at a clear and slow pace, try to do the same thing. This is called mirroring.

In due time, the people you're mirroring will subconsciously feel more comfortable with you. It's as if they see themselves in you. Proceed with caution, however. Do not let them be aware that you are copying them. They might interpret it as mockery.

3) Be Cheerful. People like others who brighten up their day. Make a sincere compliment to raise their spirits. Little things like these go a long way to breaking the ice and setting the relationship off to a good start.

4) Be Sincere. Make them feel that you'll be there to lend a hand. People tend to be more receptive to those they trust.

5) Provide Compelling Evidence. Explain how your ideas could be the most effective techniques to implement. Share testimonials and truthful comparisons with your competitors.

6) What's In It For Them? People tend to put their own self interest first. So when "What's In It For Them?" is compelling, it will be persuasive.

7) Genuinely Care. Focus more on their interests, desires and expectations so you can satisfy their need for attention.

By Priya Shah 

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You Dirty Rat!

Few pests evoke stronger revulsion than rodents. While the manager of an industrial facility may tolerate an occasional rat, not so with homeowner associations. The demand for action is immediate...I mean NOW!

Most people believe that rodents have limited value. Norway rats, roof rats and common house mice live off humans and offer the potential for spreading serious diseases like The Plague by way of fleas and ticks. They consume or contaminate about 20% of the world's food supply. They also like to gnaw, causing expensive structural damage and electrical fires.


Rodents are predictable so a control expert can detect clues pointing to suitable control techniques and when to use them. A successful rodent control program features four key elements:

1) Inspection. This determines the cause of the problem, the species and conditions contributing to the infestation.

2) Proper Sanitation. Trash should be kept in tightly closed containers. Debris and possible nesting materials should be swept up and food items stored in rodent proof containers. Weeds and brush should be trimmed back from buildings.

3) Rodent Proofing The best way to keep buildings rodent free is to prevent them from getting inside. Rodents fit through tiny openings and gnaw through wood, lead, aluminum, copper, cinder block and even concrete. Broken screens around foundation walls are common entry sites as well as damaged siding, chimney caps, open fireplace flues and broken windows.

4) Population Reduction. Where allowed, rodenticides provide the most cost effective rodent control. Modern applications provide a lethal dose in a single day's feeding. Correct bait placement is key to protection for children, pets and non-target animals.

Effective rodent control should be part of maintaining high sanitation and an exclusion program. 

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Pick Me, Pick Me!

When it comes elections or the need for a committee member, are volunteers scarcer than snowballs in hell? This is a common frustration in many homeowner associations where the same few good women or men seem to shoulder the responsibility for life. So, how do you get others to raise their hand and step forward? Some suggestions:

Communicate Regularly. Uninformed owners are uninvolved owners. If you don't tell them what's going on and give them a reason to get involved, they won't. A newsletter and flyer distribution box is an inexpensive and convenient way to get the word out.

Put Them on a Pedestal. Most people love recognition. Turn a "thankless" job into a position of honor. Hand out kudos and certificates, praise and congratulations. Do this at every

opportunity...at meetings, in newsletters. Volunteers are attracted to uplifting environments.

Socialize. People like helping people they know but easily dodge commitment to strangers. The HOA should sponsor several socials annually to break the ice. Consider a spring clean-up party, pool party or just plain old potluck. It will help create a real sense of community and desire to join in.

Encourage. Volunteers need to know they are doing the right thing. Remember to build them up and ask if they need help. Value their opinions.

Remember as a kid waiving your hand wildly to be recognized by the teacher? Age tempers that need to stand up and stand out. It takes someone to get the ball rolling. Pick me, pick ME! 🗳️

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The Lifeline

Walking through the forest, a hiker came upon a picturesque river. He stopped to appreciate the beauty when suddenly he heard a faint cry coming from upstream. He saw an obviously drowning man floundering in the river. Momentarily stunned, he sprang into action, dove into the river and hauled the helpless man to shore. Using CPR, he revived the man who spit up water and began to breathe.

The hiker paused to catch his breath only to hear another cry from the river. Another drowning person! Once again he swam out and pulled the person to shore. As he revived the second victim, he heard yet another cry for help. All

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day long the hiker worked, rescuing one person after another as they came drifting down the river. There seemed to be no end to the victims.

Just when he was about to collapse from exhaustion, he spotted another man walking rapidly and heading upstream. "Hey mister!" he cried out. "Please help me!" Yet the man kept on walking. The astonished hiker called out again but got no response.

Indignantly, the hiker caught up with the man and loudly demanded, "How can you possibly walk past all these drowning people? Have you no conscience?"

The stranger looked at him and said with a calm voice, "Sir, please get out of my way. I'm headed upstream to stop the guy who is pushing all these people in."

Each of us has a role in helping those in trouble. Some help with counseling, food, shelter, a support group or financial assistance. These are important safety nets. Others find a place upstream, trying to head off disaster before it strikes. Teaching responsible behavior, knowing the difference between right and wrong and setting a good example are ways to help others avoid the avoidable.

The Bible teaches that there is an eternal source of truth, direction and comfort regardless of whether your life is about to go into the river or is cascading out of control downstream. Grab hold of that lifeline.

From Still More Hot Illustrations for Youth Talks by Wayne Rice. 🗳️

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Davebarrisms 8

We journalists make it a point to know very little about an extremely wide variety of topics; this is how we stay objective.

We operate under a jury system in this country, and as much as we complain about it, we have to admit that we know of no better system, except possibly flipping a coin.

We'll try to cooperate fully with the IRS, because, as citizens, we feel a strong patriotic duty not to go to jail.

What I look forward to is continued immaturity followed by death.

What I want to know is: Why is it important to have visible stomach muscles? I grew up in an era when people kept their stomach muscles discreetly out of sight.

What may seem depressing or even tragic to one person may seem like an absolute scream to another person, especially if he has had between four and seven beers.

Not all chemicals are bad. Without chemicals such as hydrogen and oxygen, for example, there would be no way to make water, a vital ingredient in beer.

Sharks are as tough as those football fans who take their shirts off during games in Chicago in January, only more intelligent.

Thanks to my solid academic training, today I can write hundreds of words on virtually any topic without possessing a shred of information. 🗳️