

Need to make "arrangements" to pay the Emergency Special Assessment? Call TMMC at (303) 985-9623. Ask for Accounting.

## RUMORS, MISINFORMATION & INNUENDO

In the early 1930s, the Nazis perfected the idea that if you told a lie loud enough and often enough, people would start to believe it. Communications psychologists later labeled this "The Big Lie" technique. While they are not nearly as harmful as the Nazi lies, here are just a *very few* of the items which have been repeated often over the past few months and which need to be "debunked."

*The Board is made up of townhome owners who don't care about and "stick it" to the condos.* **FACTS:** Three Board members live in and own their townhomes; two are condo apartment owner-occupants. None of the Board members own rental properties; all are unpaid volunteers and none have any relatives who live at, work at or do business with Highline Meadows. Townhome owners, including the three who sit on the Board, pay considerably higher dues and Special Assessment fees than condo owners.

*The maintenance crew is paid \$120,000 a year.* **FACTS:** Our two maintenance persons' direct salaries total \$100,000. Health insurance is not provided but your Association is required by law to pay the employer's share of Social Security and to pay for Workers' Compensation insurance and Unemployment insurance. The budget for Maintenance Personnel includes amounts set aside for reimbursing the staff for specifically pre-approved, actual out-of-pocket expenses incurred in behalf of your Association, such as gas for vehicles, hardware and consumable repair and maintenance supplies. Condo cleaning services are provided by a non-employee contractor who owns and lives in a Highline Meadows condo unit.

*The Clubhouse phone shouldn't cost \$800 a year.* **FACTS:** We agree! Actually, our insurance-required emergency coin phone at the pool --- which allows 911 calls with no coins --- cost \$929 last year. Why? It cost \$300 to wire and install the service by the lowest bidder, Qwest. We have been in negotiations with Qwest for months to arrange a special rate for the nine months of the year when the pool and the phone are not accessible. The commercial coin phone service rate is \$70 per month and --- like it or not --- your Association is classified by utilities and government as a business, not a private residence. .

The motto of those few who have been spreading the above bits of "misinformation" seems to be, *"I've made up my mind; don't confuse me with the facts."* Other rumors, innuendo and misinformation will be discussed in future issues of the "Times."

*"I heard that . . ." Is it true? You need to check with a reliable source --- a Board member or a TMMC staff member --- not a rumor-monger with a personal axe to grind.*

Highline Meadows Condominium Association - c/o TMMC Property Management - P.O. Box 1540 - Castle Rock, CO 80104 Tel: (303) 985-9623 Fax: (303) 814-8267 Email: denise.haas@tmmc-management.com

## HIGHLINE MEADOWS TIMES

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### NEIGHBORHOOD CRIME WATCH

Due to an increase in crime in our area (including the theft of ten condo door handles), the Arapahoe County Sheriff's Neighborhood Crime Watch Officer has asked to speak with homeowners about starting a Neighborhood Crime Watch Program. He will attend our meeting in the Clubhouse at 7:00PM on Tuesday, January 15. **PLEASE ATTEND!**

### HOW DID WE GET HERE? Now what . . . and then what?

(continued from December 2007 "Times") This is the second in a series of articles related to the overall question of how we got into the current financial situation and the steps being taken to remedy it.

#### Who is TMMC?

TMMC was chosen as our property management company in 2001 after a series of intensive interviews with four prospective companies. They currently manage 24 townhome/condo and single family communities, ranging in size from twenty-four to 1,200 units, located in the area west of I-25 and south of Hampden Avenue. They bring professional property management experience and the concerned, ethical and responsive attitude to our property which we had been looking for in our prior management company. TMMC is a member of the Community Associations Institute and the Better Business Bureau. Among other things, Highline Meadows gets the benefit of TMMC's extensive vendor and bidder catalog and their contacts with leading and highly respected attorneys, CPAs and other professionals. TMMC provides complete administrative and bookkeeping support for all of your Board's decisions. **Denise Haas**, who is a Certified Manager of Community Associations, has been the Highline Meadows/TMMC liaison for the past two+ years. Her 22 years in construction and real estate have given her the special insights that we need as she makes her action recommendations to your TMMC Board.

#### So . . . What Has the Board Done for You Lately?

In spite of the pre-2000 Board's failure to put money in the Reserve Account and to take care of many maintenance needs, your current Board has been able to take care of many routine and emergency repair jobs and some special projects over the past few years.

Some of these projects included replacement of one condo building roof, interior painting and recarpeting of four condo buildings and installation of new condo exterior-entry-area wall ashtrays and light fixtures. Your Board also updated your HMCA governing documents (By Laws, Declarations, and Rules & Regulations), completed a professional Repair-Replacement-Reserve Study and installed an insurance-required emergency phone and a new card-key access system for the pool. Other Board projects included the startup



of a tree removal-pruning- replacement program, purchase of an ATV and truck for less costly staff (versus contractor) snow plowing, replacement of a non-performing maintenance man and hiring of a second maintenance man to further reduce the use and costs of outside trades people. The Board also persuaded the US Post Office to replace two townhome and one condo area rusted-out mailbox units (more replacements are scheduled for the next few months), began upgrading the dumpster enclosures, installed a new Lift Station pump and purchased a new pump as a standby.

Your Board was also able to build up a Reserve Account of over \$87,000. Where did this \$87,000 go? Why do we now have an Emergency Special Assessment?

### ***The Emergency Special Assessment***

***What are the reasons for the Emergency Special Assessment? Insurance and delinquencies.***

Our Declarations require that we buy insurance only from AAA-rated companies. Due to our loss experience ---two major condo building fires in less than four years and a condo slip-and-fall claim for \$1 million --- companies would only write our required liability and fire insurance for a premium increase of \$100,000 over our prior year's premium of \$67,000. Also, many townhomes have aluminum wiring which is considered a potential fire hazard and results in higher premiums. A "fix" is coming, but in the meantime . . . !

The second factor which had a negative effect on our funds was an all-time high level of delinquencies in the payment of regular condo and townhome Association dues, which had begun climbing from an all-time low of about \$23,000 in March of 2006 to a never-before-seen-high of over \$92,000 in October of 2007. This figure is increasing by \$10,000 to \$15,000 every month. An extremely high number of foreclosures --- which reflected the nation-wide problems of sub-prime loans and adjustable mortgages --- had a complicated and negative effect on the best and most diligent collection efforts of our attorneys and on their court actions. (A note about collections: *The attorney does not get paid unless he collects.*) Some delinquencies were, in effect, court-ordered to be written off because the owners declared bankruptcy and were no longer responsible for that debt.

After having to strip out the entire \$87,000 Reserve Fund to pay the insurance, the only source available to your Association to make up for the shortfalls in the Operating Budget -- and to begin again to fund the Reserve Account, *as required by law and recommended to be at the \$1 million level* --- was an Emergency Special Assessment. No one was happy with this last-house-on-the-block alternative --- least of all the members of the Board, all of whom are homeowners.

*- To be continued in the February issue of the "Times" -*

## **REPAIR REQUESTS - INQUIRIES - COMPLAINTS COMPLIMENTS**

**CONTACT TMMC --- Telephone: (303)985-9623 Fax: (303) 814-8267  
E-mail: denise.haas@tmmc-management.com**

## **BOARD MEETING REMINDER**

Your Board of Directors will meet in the Clubhouse at 7:00PM on January 15.  
Homeowners' Forum from 7 to 7:30PM. Coffee will be served

### **WHO IS "THE BOARD"?**

**Tom Steinhauer**, your HMCA Board President, grew up in the Chicago area and is a graduate of Northern Illinois University. Tom bought his 3-bedroom townhome over 25 years ago. He and his wife Karen, an RN, have a working daughter living with them who is also pursuing a nursing degree. Tom was one of the homeowners involved in the "grass-roots revolution" of 2000 and immediately found himself serving as Vice President of the Board. He was first elected Board President in 2002. Tom is a Sales Engineer for a distributor of valves, flow meters and assorted process instrumentation.

The Vice President of your HMCA Board, **Dan Morgenthaler**, is an Aerospace Engineer with a BS in Engineering from Lehigh University (PA) and two master's degrees from CU. Dan moved to Colorado from the southwest suburbs of Chicago in 1984 and bought his 3-bedroom townhome in 1993 following a divorce. He has an 18-year-old daughter. Dan unsuccessfully ran for election to a Board position in the early 1990s and joined the Board in early 2005 as a Member-at-Large. He assumed the Vice Presidency in 2006.

**Alan Saval** lived most of his life on the North Shore of Massachusetts and is a graduate of Boston University and the University of Maryland. Retired as VP for Administration & Finance at Bunker Hill Community College in Boston, Alan moved to Colorado in 2000 to take care of his new grandson. After renting a condo unit here for three years, he bought a one bedroom condo unit. In the early Fall of 2004, after attending a Neighborhood Crime Watch organizing meeting, he was asked to join the Board and has served on your HMCA Board as Vice President and, currently, as Treasurer. Alan's half-time "work" is as the "Grandpa-Nanny" for his grandson in Castle Rock.

The Secretary of the HMCA Board, **Brad Larson**, is single and has three adult "kids." His daughter, the oldest of the three, returned to Africa right after Christmas to continue her work with orphaned children; middle child, a son, does construction work in Costa Rica and the younger boy is in the US Navy. Brad is self-employed and does home maintenance, repairs and remodeling. He moved to Colorado in October 1997 from New England and has lived in his one bedroom condo unit in Highline Meadows since May of 2006. Brad joined your Board of Directors in November, 2007.

**Dave Starr**, Member-at-Large on your HMCA Board, has lived in his 3-bedroom townhome at Highline Meadows since 2002. He joined the Board in July of 2006. Dave is an independent painting contractor who "joined the Board at the beginning mostly because they needed someone to fill a spot and no one had come forward. But now that I've been on the Board for a while, I'm happy that I'm here. This is a tough time that we're going through . . . and it probably will be for the next few years and I'm glad to be involved."