

Casitas Montana News and Views

May 18, 2010

To all owners:

Hopefully this is the first of many newsletters to come! Please note the name of the news letter. It will be providing "NEWS" but it may also contain "VIEWS" from the person writing the letter. The main goal of this newsletter is to better inform the owners of what is going on in our community. I also recently "resurrected" the www.CasitasMontana.com web site. I have been posting updates on that site under the **HOA – Member Only** link at www.casitasmontana.com/html/HOA.html . If you have not been on the site for awhile, please go there for the latest information, more details about what we are doing, and the direction we are taking. It has the current HOA board and contact info, the minutes of our last HOA meeting, information about sub metering, insurance information, and also over all costs saving ideas we are working on.

I recently became involved with the HOA because of the financial situation the HOA is in. My goals are to increase income and decrease expenses! Unless you have been living on another planet.. you know that Arizona real estate has taken a huge hit! Casitas is not immune to the problems related to lower real estate values. Several owners have been having financial problems and have elected to give their properties back to the bank. The problem with this is that they also did not pay the HOA! Now that causes the rest of us to carry the load that is budgeted for 20 owners. Those owners are under the false impression that if they elect not to pay the bank, that somehow also means they do not need to pay the HOA? THAT IS UNTRUE! To be fair to the owners that are NOT giving their properties back, we (as a HOA board) have decided to take every legal means possible to collect from those that owe us. Please go to our web site at <http://www.casitasmontana.com/payhoafees2.pdf> to further understand all owners are required to pay HOA dues - Even if they give their home back to the bank!

Ways to Increase Income: We have started collecting from those owners that are past due. But, until we get all funds collected we also had to increase the HOA dues from \$190 to \$210 so we can pay our bills. We have also increased the late fee to 10% of the unpaid balance. So each month it is going to cost the owners more if they do not pay. This is to encourage ALL owners to pay on time, so we can keep dues low.

Ways to Decrease Expenses: We have also been looking very hard at all expenses! All areas are being investigated, but below are some highlights:

Lower insurance costs – get new quotes from other companies and change coverage to a "base" insurance. Then allow owners to add coverage as they need it. I am happy to report that we just received a quote to lower our insurance from \$4449 to \$2735 per year!

Water expense – This is the single most expensive item the HOA pays for. Currently our water bill is over \$1000 per month! Is the current "single meter" the best way to go? Should a person that uses less

pay the same as a person that does not conserve water and does not fix water leaks? We are looking into sub metering the water. People that use more, pay more. By doing so, we can also determine the true cost to water the grass area. With that information, we can make intelligent decisions on keeping or reducing the amount of grass we water.

My goal is NOT to increase the HOA dues each year! Just the opposite! I want to REDUCE the HOA fees! I would like to see the "base" HOA dues get lowered from (the current) \$210 to at least \$150, or lower! My views are (remember I said this news letter may contain views) we should have "core" or "base" expenses that the HOA pays, but then some additional expenses are added to each owner based on each owners wants/needs. The 2 main items are water and insurance. I suggest we all pay a lower "base" HOA fee then you pay for the water you use. Same goes for insurance, we, the HOA, will provide a "base" insurance. Then all owners get additional as they need, or want.

Everyone needs to get involved! Everyone gets a vote! There are 20 owners and each one should get involved in some way. Email your board members your thoughts and ideas, be part of the solution. If you see someone that does not belong in this community, stop them and introduce yourself. Are they a new neighbor? Are they a bunch of kids that do not live here? If you see someone NOT picking up after their dog, stop and remind them they need to be responsible for their pets. Let me know if you know of problems and HOA violations. We are going to enforce our CC&R's so everyone benefits. Please express your opinions and thoughts. This is your community.. Get involved!

William Jugenheimer

Member of Casitas Montana HOA Board