

MGMA Newsletter

October 2011

PRESIDENT'S MESSAGE

We continue to see significant improvement in the day-to-day operations of the Clubhouse and the Association, now that we have an experienced, motivated management team in place. Hopefully, you have noticed a difference in the Clubhouse environment, overall. A more member-friendly, welcoming look and feel is what we are striving for. We want to make the Clubhouse a very attractive place that will meet individual needs and pull us together in community activities. You may have noticed the new classes that have increased activity in the Clubhouse. We are still learning and adjusting and appreciate your feedback and suggestions.

Another project intended to improve the Clubhouse quality and use is the refurbishment of the Lanai Room. As you may recall, this room was always open to the weather and therefore limited in its use, as a party and activities room. We have enclosed, air conditioned and refurbished the Lanai Room. We expect that the new cushions we are having made will be completed and delivered by early November, which will finish the project. We were able to pay for this project mostly through the use of Comcast rebate money that we received from our 2010 Comcast Contract.

We hope, that this newly refurbished activities room and more member-friendly environment will encourage greater homeowner involvement in our community activities, as well as, serve us better as a party and meeting room. Moving forward toward our #1 MGMA Goal for 2011, that of *Improving the quality of life at Madison Green*. Again, your feedback and suggestions are greatly appreciated.

DELINQUENT ACCOUNTS

This month, after some months of delays, we have started several specific actions to accelerate and improve our collection activities. Our Collections Attorney has been given approval to complete agreements for the refurbishment and rental of several properties that have had long-standing, resistant delinquencies. For the most part, these properties have not signed-up for or made payments on the payments that have been offered. So, we have foreclosed on and taken title to these properties and are now working with the individual villages where they are located to get agreements (in writing) for the preparation and rental of them. The general terms of these agreements, include the repayment of long overdue association fees, penalties, etc., from the monthly rents collected.

As we have said before, we do not seek to remove people from their homes, but we do intend to motivate them to make timely and complete payments of what is due to the association. If that fails, then we will recover what is due by renting the property and splitting the rental payments between the village, the master and the firm that is restoring and renting the property. Again, these actions are "actions of last resort" and are based on written agreements with the village, the master and the renting firm.

At the same time, we are planning a parallel approach to dealing with these delinquent accounts. We met with another master association that has had success with directly restoring and renting properties obtained through foreclosures. After meeting with them a few weeks ago, we are convinced that this may be a good alternative to consider, as well. We may apply this approach on a trial basis to see if it will resolve these long-standing problems, before they have major financial impacts on the community.

Meanwhile, we continue to monitor existing payment plans to ensure timely payments, while adding new plans as a key strategy for collecting overdue assessments. We are also looking into the new Royal Palm Beach Village and Palm Beach County ordinances on foreclosed properties. We will keep everyone informed and will work closely with affected villages, as we develop new approaches to dealing with this serious, sensitive issue.

2012 BUDGET FORMULATION.

As we indicated in several notices last month, we conducted two Budget Workshops, open to all Association Members, during the first two weeks in October. We spent about 6 or 7 hours discussing every line item in the budget, by comparing last year's budgeted amounts to the actual expenses and the needs of the association and the costs expected in 2012. We made some tough decisions. The most significant budget decision was to increase the Quarterly Association Assessments by about \$12.50, raising resident's payments from \$307.50 to \$320 per quarter or about \$4.16 per month. The main reason for this increase is the Comcast Cable Contract, which was signed in 2010. We are entering into the third year of this contract. In the first year, Comcast gave us a 10% discount. In the second year the discount dropped to a 5% discount. In 2012, MGMA doesn't receive any discounts, which means that our Comcast expenses increase by \$50,226 over last year's. We have been fortunate that there have been no increases or special assessments since 2007, but we now find ourselves needing to make this 4% adjustment to the quarterly assessments.

Copies of the Proposed 2012 Budget will be mailed to each homeowner on October 26th and a Budget Meeting of the MGMA Board will be held on November 10th to approve this budget for the coming year.

COLLABORATION BETWEEN MASTER AND VILLAGES.

This was one of our 2011 Goals and, while we have made some progress in this area, we can and need to do more. Probably our most significant accomplishment, limited though it has been, has been in working with several of the villages on Delinquency Collection/Foreclosure actions. We are continuing to meet with the villages on specific properties and coordinating our actions, as best we can to avoid unproductive duplication of efforts. One shortcoming has been not having another Presidents' Meeting since March. Until, just recently, we did not have a well-planned approach to working together on property foreclosures and property rental/sales. Now that we have a plan and actions underway, we are meeting individually with affected villages to ensure a coordinated effort. We will continue to maintain a collaborative approach to association management through our newly established MGMA management team and individual contacts with the villages.

A SIGNIFICANT OPPORTUNITY IN ROYAL PALM BEACH.

As mentioned last month, there is now a vacant seat on the Royal Palm Beach Village Council. This creates an opportunity to bring a Madison Green perspective to the Council by electing someone from our community. As we have done in several other areas, we have made things happen where we there have only been discussions for years. This is another opportunity to make a difference in our community, not only for Madison Green, but for the betterment of the entire Village of Royal Palm Beach. But, the key is for each one of us to go to the polling station—our Madison Green Clubhouse--on Election Day and vote. To date, we have had very poor showings at the polls, often only 79-80 votes coming from the 1145 homes in Madison Green. As we've all heard, many times: *each vote counts*. This is especially true when only 700-800 votes are normally cast in total, during an election for a Village Council Seat. So, just 400-500 votes would win the election, in March.

Madison Green can make a difference. We should not allow this unique opportunity to pass us by!

As always, we look forward to Residents' input on all MGMA matters. We will respond and take action on all feedback, as quickly as possible. We invite everyone to find out more about what's going on by attending the MGMA monthly Board meetings, watching Channel 63, visiting our Website and reading the MGMA Monthly Newsletter.

Jeff Hmara

President, Madison Green Master Association