



## Special Anniversary Newsletter

### It Was Ten Years Ago...

**That Avalon first started** with Bear Creek. Dr. Keith Medley was President, Mr. Wen Orrell was Vice-President, Mr. James Welter was Secretary, Mr. Tom Heggi was Treasurer and Mr. Bill Hunt was Director at Large.

#### Back then:

- There were 510 owners with only 131 Custom Homes & 234 Town Homes - the rest were lots.
- Dues were \$100, the Annual Budget was \$627k and we had about \$200k in the bank.
- The Association was operating out of the small office next to the tennis courts.
- There were no computers at the office or the guard stations.
- The Swim and Tennis Club was owned by JNDC and operated by the Whiteheads.
- Sand bags had to be placed on almost every street at the start of winter.
- There were no waterfalls at our entrance nor attractive landscaping.
- Websites were not the first place people went for information.



### With So Much to Do

We hit the ground running; bringing in new computers for the office and community patrol, designed and implemented new access control software, designed resident, guest and vehicle information forms.



We began work on updating the Rules and Regulations, Architectural Guidelines and created the first ever Book of Governance, which set forth the mission of Bear Creek and created a statement of purposes, policies, values, perspectives and relationships that is still in effect today.

We started an aggressive collection effort which included many trips to the court house. In the end we collected over \$100k in past due assessments.

We investigated all of the issues that were present and began a strategy of resolving them in a long term, prioritized basis.

The following pages highlight some of the more exciting projects, but the end result is we now own the Swim and Tennis Club, we saved the Association (in cash dollars) \$686k with continuing annual savings of \$43k.

We have been involved with everything that you see or touch in Bear Creek, and are very proud of our decade of service to you!



### Some of the Issues at that time Included:

- Our roads had large ruts, crevices and pot holes.
- Receivables were high and the association was paying property taxes on common area land.
- "For Sale" and "Open House" signs were everywhere, the governing documents were obsolete, and future development was a concern.
- Our perimeter walls were in disrepair and only three feet high in certain areas (fixed within a few years.)
- Water lines were criss-crossed between the Master Association, the Golf Course, the Swim and Tennis Club and Country Club Villas (took until 2000 to complete.)

### First Let's Start with Firsts!

These are projects which, to the best of our knowledge, had never been attempted before in any community anywhere, and were born out of the creative environment of Avalon and of necessity.

#### Sales Kiosk & Limiting For Sale Signs

When we first started with Bear Creek, there were so many For Sale signs, and that they were of different shapes and sizes throughout the community, that it was a distraction to the aesthetics of Bear Creek, and some felt the signs were driving down home prices.

We knew we had to come up with an alternative that reduced the number of signs but also helped sell the homes in order to provide an incentive for the agents to remove the signs. What we came up with was what is now known as the Sales Kiosk. The Sales Kiosk provides one place for prospective purchasers to look at flyers of all the homes for sale without having to enter the community, and there is a special phone at the Kiosk for the purchasers to directly contact the selling agent.

Not only did it dramatically reduce the number of For Sale signs throughout the community, it has also provided revenue that has paid for the installation, all maintenance, and funding for a marketing brochure for not only prospective homeowners but golf members alike.

#### Tough to Control your Future when someone else is in the Driver's Seat

Of great concern to the community was the uncertainty of what is now Lakeside. The original governing documents gave almost unlimited power and authority to whomever decided to build there - they basically could sidestep all of our Design Guidelines, Rules and Regulations, and our Access Control procedures.

Our solution, which had never been done before, was to amend out the "Declarant" provisions of the CC&Rs and to add in the term "Master Association Approved Project", which brought acceptance of new developments to the membership for approval.

This step proved invaluable when the Lakeside development began. Not only did it allow the Association to ensure that the new section was built to Bear Creek standards, it helped when the developer sued the Association, in which Bear Creek received \$100,000 as part of the negotiated settlement.



### How to buy a \$6 mil Swim & Tennis Club for \$1.4 mil

With the constant persistence of Board Member Steve Ganz, the Board approved Avalon and Mr. Ganz to negotiate with Brad Adams, then owner of the Swim and Tennis Club to purchase it for the benefit of the members. After many meetings Mr. Adams agreed to sell the club to Bear Creek for only \$1.4 mil. The purchase price was only part of the problem, the second half was lowering the monthly operating costs by an incredible 60% and finding someone to loan Bear Creek the money. Avalon was able to design a budget that met the reduced costs and, with the help of Bear Creek homeowners, was able to negotiate with Mission Oaks Bank to loan the money for the purchase. As part of the agreement, Avalon agreed to deposit money at Mission Oaks, which as of last month totaled more than \$700k. Avalon also handled the entire transaction at no cost, resulting in commission savings of approximately \$84,000.

**Why Pay Taxes You Shouldn't?**

When we first looked at your budget in 1994, we discovered that Bear Creek was paying property taxes on common area. While many communities do, Avalon knew that tax laws provided for exemptions, and received \$24k in refunds for Bear Creek.

**Bear Creek Online**

Avalon saw the need for a website



for Bear Creek, and at no cost to the Association, designed, created, and continues to maintain the site. Today, more than 100 people a week visit the site.

**Why Pay For Someone Else's Work?**

When we went over your records, we found that the Association was paying for swale clearing on swales they didn't own, and lot clearing for lots they didn't own. The swale clearing was stopped for liability reasons, and the lot clearing, which continued up until 2003 was back billed to the respective owners. Savings— about \$10k *a year*.

**Don't they owe us Money?**

Some of the larger amounts received due in part to Avalon's dogged collection efforts include \$50k from Watt, \$20k from JNDC, and \$50k from a developer.

**Like the Front Entrance?**



Avalon's design staff re-created the front entrance to Bear Creek, adding the waterfalls, the monument, extending the guard station foot print, adding the rock face to the guard station, the landscaping and hardscape, location of the lighting, and the flag pole. John Hassel and Dean Brown worked hard to provide the Bears you see in the gates today.

**Didn't you Break that?**

During the road widening of Clinton Keith there was some damage done to some of Bear Creek's property. Avalon documented the problems, obtained repair estimates, engineering reports and provided expert testimony. We recovered \$39k which we used to install conduit from our Clinton Keith guard station to the Grand Avenue guard station (after obtaining encroachment permits from the city.)

**What's Fair is Fair**

As you know, the Golf Club uses our streets for access to and from the course and the maintenance facilities. Avalon worked on gathering detailed data on the actual costs to the Master Association and we began negotiations with the Club. This helped result in a \$31k annual reimbursement from the Club to Bear Creek Master.

**Yes, but What Does it all Cost?**

When Avalon first started back in 1994, our monthly fee was \$4,195. Based upon increases in our responsibilities our fee was increased to \$5,000 until 2004. In 2004, when the Association took over the automation, we reduced our fee. In 2004/05, when the Association transferred some of our responsibilities to the Committees, we voluntarily reduced our fee again, this time down to \$3,450 per month, or \$5.50 per home. Not a bad deal for \$5.50 per home!

**Is your Manager Qualified?**

For many years the owner of Avalon, Mark Jones, personally handled Bear Creek. Mr. Jones has over 24 years in the business, holds the prestigious Professional Community Association Manager (PCAM) designation, and is a founding member of both CAI and CACM, the industry's largest organizations. Mr. Jones still maintains an active role in the ongoing litigation, developer and technology issues.

Avalon's Vice-President, Lana Hamadej



now assists the Board and the Committees in the management of Bear Creek. Starting with a degree in accounting from Indiana University, Lana has over 15 years in the industry and is also a PCAM. Lana has received many industry awards and is a published author for the industry.

## It Takes a Team



**We would like to thank all of the volunteers that have helped make Bear Creek what it is today.**

While we do not have the space here to list every individual that has made contributions, we do wish to take a moment to mention those individuals that distinguished themselves by their extraordinary efforts and deeds. We apologize in advance if we have missed anyone that should be included here.

### Mr. Wen Orrell

Mr. Orrell served as director for many years and was the consummate gentleman. He treated everyone fairly and with respect. He had a keen eye for financial matters and kept a close watch on every expenditure—down to the penny.

### Dr. Keith Medley

Dr. Medley served on the Board for more years than any other individual. He spent time in every Officer position, on almost every committee through the years and was helpful on almost every project that came up. His wonderful smile and positive attitude was always a welcome presence during some of the more tense negotiations.

### Mr. Steve Ganz

When Mr. Ganz was first elected to the Board, he was affectionately known as “the new kid.” Mr. Ganz did in fact bring the needs of family to the Board and through his efforts new facilities and policies were created that benefited families with children. Mr. Ganz was also the driving force behind purchasing the Swim and Tennis Club and spent many hours to that end.

### Mr. James Welter

Mr. Welter served as both Director and President during some difficult times. His leadership helped keep the Association focused and on target. His communication skills and willingness to listen to new ideas set forth the motion for many new policies.

### Mr. Bill Hunt

Mr. Hunt also served on the Board for many years, and brought a very no-nonsense approach to the Board. Mr. Hunt spent a great deal of time working with the guard companies and was responsible for many of the access control policies in place today.

### Rosemarie Kilgore, Sam Rebar, & Michael Harris

These individuals have worked for Bear Creek for more than 10 years. During our decade of service we have had to call on them from time to time for emergencies. We can recall floods, crime, accidents and incidents, some dangerous, that these individuals inserted themselves into without hesitation to protect Bear Creek. While Mr. Rebar and Mr. Harris have recently been replaced, their duty and commitment to Bear Creek was unwavering.

## So What's New?

Avalon, known for our innovation, has now rolled out several new services at no cost to the Association:

Email is good, but a phone call is better. Avalon now has the technology to rapidly broadcast call every member of the community in the event of any emergency. Plans are to also use this technology to notify residents of upcoming meetings and events (there is a small phone company charge for this service.)

Welcome to Bear Creek DVD. While we are awaiting input from the Board of Directors, Avalon has begun production of a video that helps welcome and answer questions for new Bear Creek owners.

Instant Survey/Polling. Avalon now provides for online surveys and polling of the membership for important community decisions, with immediate results reporting. Easier and faster than paper and the mail!