

# WHAT'S NEW?

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**NEW CONCEPTS**

**ASSOCIATION MANAGEMENT**

**COMMERCIAL/RESIDENTIAL  
REAL ESTATE SERVICES**

**BUSINESS OPPORTUNITIES**

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## Featured Article: Getting it Right the First Time!

By Gene Sullivan – President of New Concepts Management.

German statesman Otto von Bismarck has been often attributed in saying (after witnessing the legislative process) – “If you like laws and sausages, you should never watch either one being made!”

### The Wurstmeister

In the United States, Stanley A. Feder, Sausage Maker, and President of Simply Sausage in Landover, MD was recently quoted in saying “I’m so insulted when people say that lawmaking is like sausage making.....with legislation, you can have hundreds of cooks – legislators, lobbyists, state officials, etc.....in sausage making you generally have one person, the ‘Wurstmeister’ who oversees the entire process.”

The fact of the matter is, because of the myriad number of laws being considered each and every legislative session; most of us are unaware of what is being written, let alone, aware of the affect those laws have on us.

It stands to reason; think of the process that an HOA goes through in running and operating the business of an association. How much could you really get accomplished, if you had to turn to everyone in the association, and get their opinion and feedback prior to moving forward with any decision? Now multiply that by the additional numbers and issues which must be dealt with by a City, a State, and our Federal Government. You quickly understand why the only way to effectively get anything done is through a representative government.

The shortfall if you will in this style of governance is that our Legislators are asked to write bills and create laws on a huge number of issues that they have no prior knowledge or expertise in.

### The Law of Unintended Consequences

Because there is this gap in knowledge or understanding on so many issues, it can create what is called “The Law of Unintended Consequences” which simply put means, that in their effort to be helpful, and “right” a “wrong”; because the issue wasn’t understood fully to begin with, they now have created an entirely new set of additional problems that also must be addressed.

This makes it quite frustrating at times, however, if you look at all other options of governance, as Americans, we still come to the same conclusion as one of our founding fathers, James Madison who wrote “The problem to be solved is, not what form of government is perfect, but which of the forms is least imperfect.”

Well if it is indeed true that our style of government is the “least imperfect”, as I believe it truly is, how can we overcome the “Law of Unintended Consequences”?

### Taking a cue from North Carolina

Recently I was reading a story concerning laws being introduced by the North Carolina Legislature that would affect HOAs there. What I thought was the most interesting part of the story was not what the Legislature was considering to pass, but the manner in which they were going about it.

The story stated that the North Carolina Legislature had appointed a House Select Committee to hold several hearings in order to gather input from the public (Homeowners in HOAs,

Board Members, and Industry Professionals). The goal was to get a balanced view prior to making any decision that would affect Homeowner Associations further.

I remember thinking, what a concept! To actually cull together information in order to ascertain if there was 1.) A real problem that needed to be addressed and 2.) What would that recommendation be?

I couldn’t help but compare how different our current Legislature is in dealing with some very important legislation that could drastically affect how associations operate here.

What I am referring to, is a bill that was introduced in the Senate last year, Senate File 926 by State Senator Chris Gerlach from Apple Valley. The bill made it out of its first committee with little discussion, but was set aside last year due to time constraints in passing the State’s biennium budget. The author promised this year to continue to work in its passage.

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**Gene Sullivan, President of  
New Concepts Management**

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Getting it Right the First Time!  
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“Where You Live”

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Whether you rent or own a house, condo, townhome or apartment...  
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What is in this bill you ask? Several things that could potentially hurt HOAs; one item in particular, is a lien provision that would prohibit HOAs from being able to collect violation fines by seeking first a judgment, then a lien that would be placed on the home.

When a lien is placed on a home in an HOA, and continues to go unpaid, the association may (at an appropriate time) foreclose on that home for non-payment. If this authority; is taken away from an association, you have the unintended consequences of taking away an association's ability to enforce its own rules and regulations.

Let's just take the example of illegally parked vehicles on private streets. If someone continued to thumb their nose at the association, because they know that the association's ability to collect is hindered, they will continue to park where they wish

and when. Now let's say an emergency vehicle like an ambulance needs to get through and respond to a call, but can't get to a person in time to help. What is the potential for increased exposure in litigation to an association now, because one of its members sues their association for not being successful or effective in the enforcement of its rules as promised; and a loved one dies as a result.

That is why this year; we have been asking our clients for help financially in the lobbying efforts of C.A.I. (the Community Associations Institute) to educate and provide to our legislators a more balanced view; showing the necessity of these provisions provided in each association's governing documents.

I would much rather see our legislature, provide similar hearings (such as took place in North Carolina) however, in its

absence, it is necessary for us to take a moment to provide to our representatives our views on these very important issues.

**Your help is needed now**

That is why at New Concepts we have taken the time to identify the Legislators in these key committees who will be soon voting up or down on this bill. Your help is vital at this time to provide to these various Legislators, important input from you their constituent.

We can provide to you your legislator's contact information, as well as, a sample copy of a letter to use and reference when calling or writing to them.

If you have further questions, about the importance and timing of this issue, please feel free to contact me or your assigned property manager, who will be able to provide this information to you. ■

## Free On Line Seminars – For March, April & May!

Classes run between 30-60 minutes. You can register anytime right up to the start of any seminar by going to [www.webinar.com](http://www.webinar.com). Select the "Join a webinar" button; and you will be guided through the registration process. To register you will need to supply your e-mail address and identify the seminar you wish to join by typing in the 9 digit I.D. # assigned to each class below. Here are our upcoming offerings:

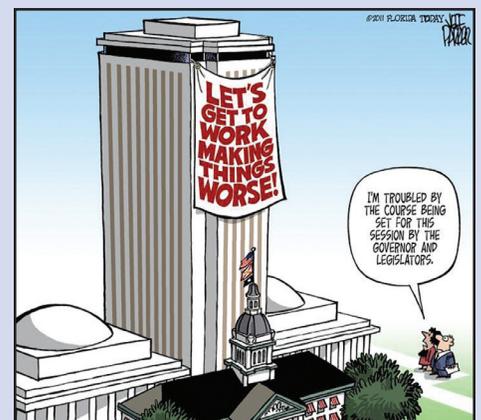
**Back by Demand! "Association Politics – the Art of Dealing with Difficult People" – Thurs. March 15, 2012 from 7-8 p.m. I.D. #823029726.** Why do association meetings seem to drag on forever? Why does it seem that good folks don't want to serve on their board? Or if they do, why do they so quickly step down? In this webinar, learn how to identify and deal with some of the most obnoxious and difficult personalities you would ever want to meet. – Instructor Gene Sullivan, President of New Concepts Management.

**NEW! "Changing Rules and Amending Documents – When is it necessary, and how should it be done?" – Tues. April 3, 2012 from 7-8 p.m. I.D. # 273704518.** Just because the board has the authority to change the rules and regulations, doesn't mean they necessarily should. When is it necessary to do so? What process should you

follow for best success? What is the difference between changing the rules and regulations versus amending your documents? – Instructor Paul Roth, Executive Vice President of New Concepts Management.

**NEW! "Collections – Best Practices" – Wed. April 25, 2012 from 4-5 p.m. I.D. # 566365366.** Keeping an eye on the association's income is one of the most fundamental aspects crucial to the well being of any homeowner association. But what do you do when folks don't pay? In this webinar you might be surprised as to the techniques and policies that are available to you as an association board. – Instructor Paul Roth, Executive Vice President of New Concepts Management, *along with guest, attorney, Dan Greenstein from Bernick, Lifson.*

**"UPDATED! "The Role of the Board/ Using Robert's Rules of Order" – Thurs. May 3, 2012 from 7-8 p.m. I.D. #177688174.** Knowing your role and responsibility is only half the equation to any organization running well; it also takes intelligence, candor, and good-will. This session is a must for those wanting to feel more comfortable in their role on the board, and how to work together in building a strong consensus. – Instructor Gene Sullivan, President of New Concepts Management. ■



### FREE SUBSCRIPTION

*If you are receiving this newsletter for the first time and would like to start receiving this free publication, or would like to know more about any of the services offered by*  
**New Concepts Management – give us a call at 952-922-2500 and ask for Courtney.**

### Home Savings Store

Resources, products and services available at special pricing for our homeowners and subscribers. To take part in any of these specific offerings, please contact our Home Savings Store Coordinator Courtney Sletten at 952-224-2663 and ask her for full details.

### Home Appliances & Cabinets

We are happy to add to our list of preferred vendor relationships – All Inc. Everything you need in appliances, cabinet and counter top refinishing and/ or replacement and all at prices that can't be beat. Call Coordinator Courtney Sletten at 952-224-2663 in order to receive the New Concepts special pricing.

### Furniture, floor coverings and more!

In our efforts to expand the very best in products and services we are happy to include HOM Furniture and Abbey Floor cover-

ings! – Special pricing and discounts that you won't find anywhere else are available to all New Concepts clients and customers. Call Coordinator Courtney Sletten at 952-224-2663 in order to receive the New Concepts special pricing.

### Home Maintenance

Don't know where to turn to when you need a new water heater? Who can handle all those handyman tasks that you have been meaning to get to around your home? You can be assured that when Start To Finish is on the job, it will be done right by experienced, licensed, and insured professionals who care about your home as much as you do..

### Mortgage Network

Whether you're refinancing to reduce a high rate adjustable mortgage, preparing to pay the cost of a special assessment, or getting back on your feet from near foreclosure, experience the difference that only MetLife Home Loans

can offer. Mortgage Banker Mike Cass doesn't simply put you into something in order to make a sale. He spends the time to counsel you to see what makes the best sense.

### Preferred Realtor Network

Because we are involved with the resale disclosures on every sale at your association, we know who does the best in getting the job done quickly and at top dollar. If you do not have a relationship with an experienced agent, we can help. Discounts are also available on the cost of a re-sale disclosure by going through this program.

### Rental Management Services

Your preference was to sell, but your home isn't moving. That new job is calling, and you don't want to walk away from your equity. What do you do? Call New Concepts. We can give you peace of mind knowing your property is being watched closely, and the renters aren't getting you in hot water with the Board or your neighbors. ■