



Hermitage Hills Home Owner's Association

Fall 2014 Resident Meeting

**Please be courteous to others and
mute all cell phone ringers.**

Agenda

- Welcome and Introduction
- State of the subdivision
- Financial reports
- Ballot Items
- Questions and Answers
- Conclusion
- Collection of Ballots

State of the Subdivision

Lake and Common Grounds:

- The spillway of the dam is in very bad shape. It's too deteriorated to repair and will need to be replaced.
- The lake itself is almost completely full of silt from years of run-off from upstream.
- Our goal is to dredge the lake and replace the spill way in the next 2-3 years. Funds will come from the administrative budget.

State of the Subdivision Continued

NB West Lawsuit:

- Final payment was made in May 2014, 11 months early.
- NB West filed suit against paving company and HH, when paving company declared bankruptcy after HH had paid for service.
- Judge ruled in 2002 that HH had to pay NB West \$17K+ (plus 9%/yr) for the materials.
- Total due as of 2010 was \$24K+.

State of the Subdivision (Cont)

Snow plowing: Snow plowing is a 2 tier plan

- Tier 1 = For light snow falls, only steep hills and entrances will be salted and plowed.
- Tier 2 = For heavy snow falls, most paved roads will be plowed
- Some roads cannot be plowed because either the hills are too steep, or the condition of the road is too bad for the plowing equipment to operate.

State of the Subdivision (Cont)

- A new trustee is needed, Joshua Hunt resigned in June form personal reasons.
- Road repairs were done in 2 phases to get all the potholes patched as soon as possible.
- Pothole patching was completed in June, cost was \$11,250.
- More road repairs will be done soon.

State of the Subdivision (Cont)

Trustees received Preliminary Engineering Report (PER) on the road conditions in August 2013.

- PER estimated road repair costs at \$2,000,000.00
- Currently working on the petition and list of properties in the NID
- More details will be released they become available.

State of the Subdivision Continued

Assessments:

- 2014 Assessments were mailed out on May 1st, 2013. A 2nd bill was mailed out July 1st to any unpaid account that included the overdue penalties. The 2nd collection period expired on August 31st.
- An updated list of overdue accounts will be turned over to collections in October.

State of the Subdivision Continued

- The HOA has contracted Consumer Collection Management, Inc. for the collection of unpaid assessments.
- Current balance of unpaid accounts is almost \$34,000.
- To date CCM has collected over \$14,000.00 in unpaid assessments of which 2/3 (over \$9000.00) has been paid to the HOA.

State of the Subdivision Continued

- The HOA will continue to work with any owner who contacts us to make payment arrangements.
- Any unpaid overdue assessments for 2014 will be turned over to CCM in October.
- CCM is preparing to file lawsuits for any account overdue more than \$500 and has been in collections over a year, or owes more than \$1000 total.

State of the Subdivision Continued

- Brush violation letters were sent out in August for lots that have brush encroaching on the roadways.
- The HOA will have the brush cleared on any lot in violation after the grace period and will add the cost to the offender's next assessment bill.

State of the Subdivision Continued

- The trustees have recruited DCS Waste Systems to provide trash service in the subdivision.
- DCS will charge based on the number of homes using their service: 0-99: \$15.87 per month, 100-199: \$15.00 per month, 200-300: \$14.50 per month.
- DCS also uses smaller, lighter trucks causing less damage to the roads.

State of the Subdivision Continued

2 Volunteers Needed for Ballot Count:

- We will schedule a date to do the official ballot count and validation. This usually takes an average of 90 minutes.
- Please notify one of the Board members if you are able to help out.

2014 Assessment Revenues

		INCOME & EXPENSE STATEMENT		
		2014		
Beginning Bank Balance from 2013				\$21,482.41
<u>INCOME</u>				
		<u>General Assessment</u>		
		<u>Fund</u>	<u>Street Assessment Fund</u>	<u>Past Due Collections</u>
Deposits	January	\$50.00	\$100.00	\$398.59
Deposits	February	\$0.00	\$0.00	\$591.99
Deposits	March	\$0.00	\$0.00	\$1,623.29
Deposits	April	\$100.00	\$200.00	\$1,052.10
Deposits	May	\$4,200.00	\$7,329.01	\$1,313.26
Deposits	June	\$5,125.00	\$10,598.58	\$353.31
Deposits	July	\$3,275.00	\$7,195.93	\$150.07
Deposits	August	\$600.00	\$1,551.15	\$217.11
Deposits	September	\$475.00	\$386.16	\$0.00
Deposits	October			
Deposits	November			
Deposits	December			
Total Income		\$13,825.00	\$27,360.83	\$5,699.72

2014 Expenses

<u>Administrative Budget Expenses</u>				
		<u>2014 Amount</u>	<u>2013 Budgeted Amount</u>	<u>Delta</u>
Legal Fees		\$0.00	\$3,500.00	\$3,500.00
Legal Judgement		\$11,350.00	\$5,900.00	-\$5,450.00
Office Expenses		\$532.88	\$1,200.00	\$667.12
Website		\$469.78	\$0.00	-\$469.78
Postage		\$490.00	\$1,200.00	\$710.00
Street Lights		\$0.00	\$150.00	\$150.00
P.O. Box		\$80.00	\$80.00	\$0.00
Miscellaneous		\$284.32	\$1,000.00	\$715.68
Insurance		\$1,099.00	\$1,100.00	\$1.00
Lake Maintenance		\$0.00	\$500.00	\$500.00
Common Ground Maintenance		\$1,252.64	\$2,000.00	\$747.36
General Meeting		\$0.00	\$400.00	\$400.00
Emergency Fund		\$0.00	\$1,598.00	\$1,598.00
Refund		\$250.00	\$0.00	-\$250.00
Total Admin Expenses		\$15,808.62	\$18,628.00	\$2,819.38
<u>Street Budget Expenses</u>				
			<u>2013 Budgeted Amount</u>	<u>Delta</u>
Road Repair		\$11,250.00	\$17,600.00	\$6,350.00
Snow Removal		\$14,170.00	\$10,000.00	-\$4,170.00
Neighborhood Improvement District		\$0.00	\$5,000.00	\$5,000.00
Total Street Expenses		\$25,420.00	\$32,600.00	\$7,180.00

2015 Admin. Assessment Budget

Administrative Assessment will remain at \$50.00 per lot, so the vote is simply to approve the budget. The HOA would collect \$20,150 (403 lots x \$50) at 100% collection rate. Any funds remaining from 2015 will be carried over to 2016 and would be in consideration for 2016's budget.

EXPENSES	Expenses: Year-To-Date (8/19/14)	2014 Administrative Budget	2015 Administrative Assessment Budget
Legal Fees	\$0.00	\$3,500.00	\$5,000.00
Legal Judgment	\$11,350.00	\$5,900.00	\$0.00
Office Expenses	\$393.16	\$1,500.00	\$1,500.00
Website	\$0.00	\$350.00	\$350.00
Postage	\$294.00	\$1,150.00	\$1,150.00
Street Lights	\$0.00	\$150.00	\$200.00
P.O. Box	\$80.00	\$80.00	\$80.00
Miscellaneous	\$284.32	\$1,000.00	\$1,000.00
Refund	\$250.00	\$0.00	\$0.00
Insurance	\$1,099.00	\$1,200.00	\$1,400.00
Common Ground/Lake Maintenance	\$867.64	\$2,750.00	\$2,750.00
General Meeting	\$0.00	\$400.00	\$400.00
Emergency Fund	\$0.00	\$2,170.00	\$6,320.00
Total	\$14,618.12	\$20,150.00	\$20,150.00

2015 Street Assessment Budget

The proposed 2015 Road Maintenance Assessment will be raised to \$125.00 per lot and therefore will require a vote. This assessment would only be applied to the lots within the subdivision that receive the benefits of the street repair, maintenance, and snow removal. The HOA would collect \$42,625 (341 lots x \$125) at 100% collection rate. Any funds remaining from 2015 will be carried over to 2016 and would be in consideration for 2016's budget.

EXPENSES	Expenses: Year-To-Date (8/19/14)	2014 Street Assessment Budget	2015 Street Assessment Budget
Road Repair	\$11,250.00	\$22,000.00(est.)	\$31,625.00(est.)
Snow Removal	\$14,170.00	\$10,000.00	\$10,000.00
Neighborhood Improvement District (NID)	\$0.00	\$0.00	\$1,000.00
Total	\$25,420.00	\$32,000.00	\$42,625.00

Ballot Items

Item #1: Approval of the 2015 Administrative Assessment and Budget.

- The assessment level is the same, but the indentures require a vote to approve the budget.

Ballot Items (cont)

Item #2: Approval of the 2015 Road Maintenance Assessment and Budget.

- An increase of \$25 per lot is proposed.
- Would generate an additional \$10,000 per year in repair/snow removal funds.

Questions and Answers

- Please be respectful of others point of view
- We have a limited amount of time remaining, if we don't get to your question, leave it with us and we will answer it
- A copy of all questions and answers will be provided to all lot owners along with the election results via the website and the next newsletter.