



Homeowners' Association

To: Summer Grove Homeowners
From: HOA Board Members
Re: May 4, 2016 HOA Meeting

Homeowners:

Thanks to those who attended our HOA Meeting on May 4, 2016. There was quite a bit of lively topic discussion, and we value the input and ideas. We are working hard to be more communicative and open with information.

With that in mind, we are distributing the Meeting Minutes as part of this communication, which also contains the 2016 Budget Overview.

As you may have already read in the first half 2016 HOA invoice letters, we are going to be raising the HOA fees, beginning with the Second half 2016, to \$400 annually. This is a necessary step in order to both cover current expenditures, and also to accelerate increasing our reserves. The community is getting to the point where it will begin to require repairs and maintenances services, which are not currently accounted for in annual budgets (reference the concrete repair in 2016).

We are performing our due diligence to ensure we are continuing to receive competitive pricing from those vendors that there are options in the marketplace for (we recently have changed the landscaping vendor), and will continue to do this throughout our term in office.

We have also set up a web site for the HOA, and would like to be able to leverage it for more timely and cost effective communications, both formally Board to community, but also for homeowners to communicate with each other. The web site can be found at:

<http://www.summergrovehoa.org/>

There is a message board area where anyone can open topic threads. We also have a link to a form where we are attempting to collect accurate contact information for all homeowners (Name, address, phone and email). This contact information will not be shared, but used only by the Board for communications. We would appreciate all homes submitting their contact information, so we have an accurate contact list.

We thank you for the support and feedback, and we will be scheduling, based on meeting feedback, more frequent HOA meetings this year.

Regards,

The HOA Board

Jim Crawford, Steve Barczyk, Jamie O'Keefe



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May 4, 2016 Meeting

In Attendance

Board: J. Crawford; S. Barczyk; J. O'Keefe

Agenda:

- Introductions
- Opening Remarks
- Finance Update
- Q&A

President calls the meeting to order, introduces the Board Members.

Financial Update

- 2015 Expense Review (details provided via handout, will also be posted to the website)
- 2016 Budget (at end of these minutes)
- Board has retained a new vendor for the grass cutting, Veteran's Landscaping
 - Reduced the per cut cost for landscaping fees, but increased the number of cuts, so net increase
 - Please do notify the board if there are issues, it is a transition and learning experience
- Upon taking office, Treasurer initiated an outreach program for past-due HOA fees. 15 homes have improved their balances since this program started. There are currently still 20 homes that are still with an outstanding balance
 - Board will initiate certified letter notifications to the remaining homes, and initiate liens if the balances are not paid, or a payment plan is not agreed to
- Concrete repair on Chestnut Grove Road. Have contracted, will take approximately 4 weeks until project start.
 - Will cost approximately \$4,000, township will pay for the bubble pad itself
- Maintenance Costs and Cash Reserves
 - Estimated fees per basin for maintenance is \$10,000. We have 5 storm water basins.
 - It is necessary to significantly increase our cash reserves, or we will end up with assessments to cover expenses. Goal would be a minimum of \$50,000.
- HOA Board announces a HOA Fee increase to \$400 annually, \$200 per half year assessment. This will become effective for the Fall 2016 fee period
 - We will be offering online payments, which can be done in monthly, quarterly or bi annually (or annually, if pre-paid).



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Questions

- Regarding Open Space: Are there considerations in the budget for mulching, tree maintenance, overall upkeep.
- Is the path responsibility of the township or the HOA? That is the responsibility of the township
- What about concrete and streets? That's Township. Michelle Reddick offered to facilitate queries
- What happens when we do reach the milestone of \$50,000 in reserves?
- Can we do anything more with the increase?
 - As of right now, no, we need to cover the expenses and the non payers.
 - We will begin an investment mechanism in a laddering 5 year CDs . This would yield \$1,600 over 5 years if we invest \$25,000
- Are all of the houses currently occupied? There may be 1 which is foreclosed and abandoned, but not confirmed
- With the township damage, can we go after more funds for that?
 - Michelle is willing to facilitate to see if there is more they are willing to pay.
- Will there be fees for online payments?
 - Yes, we are looking at PayPal, will determine the most cost effective model, but the fee will be member responsibility. You can also do through through your own online banking
- What about sewage fees? This is a township issue, not an HOA issue



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**Summer Grove Homeowners Association
2016 BUDGET Summary**

	2015 Expenses	2016 Budget
1 <u>Open Space / Basin Maintenance</u>	\$10,024	\$11,872
2 <u>Sidewalk Snow Removal</u>	\$2,700	\$2,700
3 <u>Insurance</u>	\$4,285	\$4,285
4 <u>Entrance Flowers / Maintenance / Water</u>	\$227	\$300
5 <u>Entrance Lighting & Street Lights</u>	\$2,074	\$2,100
6 <u>Administrative Expenses</u>	\$295	\$300
7 <u>Concrete Repair</u>		\$4,000
8 <u>Capital Reserve</u>		\$3,000
TOTAL PROJECTED EXPENSES		<u>\$28,557</u>
DEFICIT		-\$5,489
ANNUAL FEE	\$316 x73	\$23,068

ADDITIONAL INFORMATION

Past Due Balance Total, itemized below	\$9,313
5 accounts > 2 years behind	\$5,363
6 accounts 1 to 2 years behind	\$2,528
9 accounts < 1 year behind	\$1,422
Other Facts: 8 accounts made 0 payments in 2015 15 reduced their past due balance in response to Nov. 2015 statement	
Total Dues Paid Since 5/1/15	\$24,878
Checking Account	\$12,719
Reserve Account	\$30,113