

THE FOURTH ESTATE



A Newsletter for the Owners/Tenants of Hunter's Ridge Homeowners' Association
2010 Volume 18 - # 11

The Board of Directors conducted its Annual Meeting on Thursday, November 11, 2010. Topics discussed, which should be of interest to ALL Unit Owners and Tenants, are summarized in this newsletter.

*** FINANCIAL REPORT ***

The Association's Treasurer filed the following report for the **Hunters' Ridge Homeowners Association** for the month ending October 31, 2010:

ASSETS

Checking/Savings

Fulton Bank Checking Account	= \$ 8,792.39
Citizens Bank - Security Deposits	= 6,798.57
Accounts Receivable	= 11,290.75
Undeposited Funds	= <u>384.73</u>
Total Current Assets	= \$ 27,266.44

LIABILITIES & EQUITY

Loan from Reserve	= \$ 3,262.00
Payroll Liabilities	= 325.08
Long Term Liabilities - Security Deposits	= <u>6,798.00</u>
Total Liabilities	= \$ 10,385.08
Equity - Fund Balance	= \$ 21,738.00
- Retained Earnings	= - 839.67
- Net Income	= - 4,016.97
Total Equity	= <u>16,881.36</u>
Total Liabilities & Equity	= \$ 27,266.44

She filed the following report for the **Hunters' Ridge HOA Reserve Fund** for the month ending October 31, 2010:

ASSETS

Checking/Savings

Citizens Bank - Money Market	= \$ 27,133.14
Member's First CD # 41	= 50,042.47
Member's First CD # 53	= 25,026.37
Member's First Savings Account	= 53.28

Other Current Assets

Loan to HOA (Operating Fund)	= 3,262.00
Intermed Term Investfund	= 3,301.02
Short Term Investfund	= 3,121.84
Vanguard Fund	= <u>10,384.76</u>
Total Current Assets	= \$ 122,324.88

LIABILITIES & EQUITY

Opening Balance Equity	= \$ 43,504.30
Retained Earnings	= 87,178.67
Net Income	= <u>- 8,358.09</u>
Total Equity	= \$ 122,324.88

Total Liabilities & Equity = \$ 122,324.88

The Treasurer reported that to-date the 2010 budget is generally as projected, with the exception of snow removal costs, in part due to the moratorium the Board placed on spending except for critical needs. Net income for the Association's Operating Fund has been minus \$4,016.97.

Electrical costs have been below projections since switching to a different supplier. Legal fees also are slightly below projections and the Board chose not to join the Community Associations, Inc. Postage exceeded projections due to the mailings related to the special assessment, etc. The miscellaneous line item also is over budget since new accounting software needed to be purchased. Additionally, the balance to be repaid to the Reserve Fund for last season's snow removal is \$3,262. This money must be repaid by December 31st.

Two CDs recently matured and two new CDs were purchased: one for \$50,000 and one for \$25,000. A portion of monthly fees, \$44,990, was transferred to the Reserve Fund with \$7,150 representing income from the Capital Improvement Fee. The auditor's report was circulated among unit owners in attendance. The auditors stated that the Association's records were in conformity with accounting principles.

The Treasurer then reviewed the proposed 2011 budget. A 1.2% increase was applied to some of the line items with the exception of specified contract amounts. A contingency fund was added to the 2011 budget as a line item for weather-related emergencies to avoid the need for special assessments when the costs of snow removal exceed the budgeted amount. If it is not used in a calendar year it will be carried over each year.

The projected income allocated to the Reserve Fund next year is \$55,000 and the Board budgeted \$50,000 for capital improvements. Thus, there will be less money in the Reserve Fund for capital expenditures; however, the auditors stated that in the future this fund will have to be rebuilt.

***** COMMITTEE REPORTS*****

The Treasurer reported that the Hunters Ridge Association's Profit & Loss balance sheets and other financial information must be sent to the potential lender (i.e., a mortgage company or bank) for anyone interested in purchasing a unit at Hunters Ridge. She and the President noted that if a homeowners association does not have enough money in its reserve fund a lender may not lend money to a potential buyer.

Although interest rates currently are low for short term investments the Board needs to keep a sufficient amount in this type of investment since it must to be available in the event of an emergency need.

The Finance Committee also prepared an alternate budget that included additional funds to cover a full CPA audit. The Association's Covenants are somewhat ambiguous regarding a full audit every 5 to 6 years versus an annual review. Review and audit costs have risen over the past years due to additional federal requirements. For example, associations are required to have two separate budgets, one for operating costs and one for reserve funds, to more clearly pinpoint how money is being spent.

A unit owner questioned if there are any units at Hunters Ridge in foreclosure. The Treasurer noted that there is one. It should be noted that the Association's legal fees for placing a lien on the unit, etc. become the responsibility of the owner and the bank must pay those fees before it sells the unit.

A motion was made to adopt the budget without the additional money for a full audit. The vote was unanimous. The monthly fee for 2011 will remain at \$128.

***** ELECTION OF BOARD MEMBER*****

Matt White's term as a Board member expires at the end of December. There were no nominations for the vacant seat prior to the meeting. A unit owner nominated Andy Irons and he accepted. The vote to elect him was unanimous.

Jeannie Schappell, President of the Board, thanked Matt for his work and service as a Board member. She also requested that this Newsletter include her expression of thanks to Marian Rohm for her work as Secretary for the Homeowner's Association; and to Katie Gipple as Treasurer; and Heather Doyle as Assistant Secretary. Managing Hunter's Ridge requires considerable time and effort from the members of the Board, as well as Katie and Heather, and they deserve a big THANKS for all of their work.

Architectural Review Committee:

The total cost for roof replacements on Josiah Chowning Way was \$61,965. This concludes the five-year project.

Grounds Committee:

The Board reviewed six bids for lawn care. A three-year contract for lawn care was signed with HCS Landscaping, Deerfield Road, Harrisburg.

Welcome Committee:

Committee members continue to visit all new unit owners or residents to familiarize them with the Association's Covenant and Bylaws and other relevant information such as waste & recycle removal schedule, maintenance requests, etc.

Newsletter Committee:

Links to the Association's newsletters, Covenants/Bylaws, financial reports, community directory, architectural changes & maintenance request forms, as well as a "Contact Us" link can be accessed at www.hrhoa17070.com

NOTE: Unit owners or tenants who do not have access to a computer to review the monthly newsletter & other documents should contact Toddy Holt at 774-8917 to request that a printed copy be delivered to the unit.

By Laws Committee:

The Committee met several times this year to review the Bylaws and Rules & Regulations. There is a large amount of work remaining to update terminology. When the work is finished any proposed changes will be brought to the Association's members for a vote. Amendments to the Bylaws require affirmative votes of 2/3 of the homeowners and changes to the Rules and Regulations require that homeowners be notified in advance of the changes proposed by the Board.

Finance Committee:

The Committee will continue to make suggestions to the Board regarding investments.

***** OLD BUSINESS*****

Homeowners Insurance Form

Since the Association needs to be protected against loss if a unit is severely damaged, its Declaration requires that the Hunters Ridge Homeowners Association be named "additional insured. However, there are some insurance

companies that will not do this. Thus, the Declaration will be changed to specify that the Association is responsible for routine maintenance on the outside of the unit but repairs of catastrophic damage are the responsibility of the unit owner.

Annual Termite Inspection:

Bower's Pest Control did not find any termites in the development. Technicians treated areas for ants. They suggested that the depth of mulch be limited to two inches to deter ants and termites.

The cost of the 2011 contract has not increased.

Management of Association:

In 1999 the Association's Board made a decision to become self-managing. An outstanding issue from last year's Annual Meeting was to investigate the cost of once more having Hunters' Ridge business conducted by a management company. Mike Schappell reported that the cost of utilizing a management company would be more than currently is expended for salaries for the Association's Treasurer and Secretary.

It also was noted that the Association will still have to appoint various Committees to make recommendations to the management company. Unit owners who lived in the development when it was run by a management company also noted that there was not the same level of interest in or commitment to the overall condition of the development as there has been with self-management. For example, management company representatives may only check the condition of grounds twice a year.

NOTE: In order to remain a viable self-managed homeowners association there is a dire need to have unit owners volunteer to work on the various Committees. For example, it would be helpful to have a member from each cul-de-sac to work on the Grounds Committee to monitor lawn care and snow removal.

We still need individuals to volunteer for all of the Committees. Please contact any Board member to sign up!

***** NEW BUSINESS*****

Maintenance Requests:

The Board has reviewed all maintenance requests and notified unit owners of approvals for those repairs. Tim Daniels will begin work as soon as his schedule allows.

***** REMINDERS *****

Coupon books:

The 2011 coupon books for the monthly fee will be mailed to unit owners in late December. The Treasurer will keep the coupon books for those unit owners who do on-line banking. Katie requested

that any unit owners who may opt for on-line banking during 2011 return the remaining coupon book to her since she must have them for record keeping purposes.

Snow removal criteria:

The Association's snow removal contract with Hambright & Vorkapich specifies that walks will be shoveled when snow depth reaches one inch and the parking areas when it reaches three inches. The Board appreciates everyone's cooperation to facilitate snow removal since the cost increases if the contractor needs to return a second or third time. **Please note, to conserve funds the Board made a decision to limit attempts at snow removal to two this year.** Thus, if you did not move your car you will need to remove the snow from your own parking spaces.

So, once again, unit owners & residents are asked to move their vehicles when plowing is in progress. If you are not able to move your car please contact a Board member. Additionally, if you will not be home during a predicted snow storm, but your car is in its designated space, please make arrangements to have a neighbor move the car for you.

HRHOA BOARD MEMBERS 2011

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