

# DRAFT

MEMORANDUM

Oct 23, 2014

TO: HBC Unit Owners and Prospective Unit Owners

FROM: Victor Viets, HBC Board Chair  
Sean Penrith, HBC Treasurer

SUBJECT: Summary of Anticipated Financial Changes; 2014-2015

HBC Financial Assessments include:

## Monthly Dues

Computed annually to cover on-going maintenance and operating costs including:

- Utilities (Water, Sewer, Garbage, Cable TV);
- Administration (Insurance, Financial Management, Legal Fees);
- Landscaping and Irrigation;
- Property and Recreation Facility (Pool, Tennis Court, Clubhouse) Maintenance;

Typical annual increases range from 4% to 8%.

The next dues increase is planned for January, 2015.

## Major Reserve Funds for Repairs and Replacements

Major Capital Expenditures are required for periodic repairs and replacements of HBC common elements including: buildings siding, roofing, painting, fencing, gutters and sewers, concrete curbs and sidewalks, asphalt paving, and insurance deductible and non-insured events.

Other major HBC expenditures include the pool and pool area, tennis court, and recreation center where expenses are shared with the Hayden Bay Homeowners Association.

Funding for Major Repairs and Replacements comes from Reserve Funds or Special Assessments. The Association is preparing a Reserve Study for the next thirty (30) years. This study will be completed by December, 2014 and will include 30 years funding plan options for discussion with unit owners. Current Reserve Funding is about \$60,000 which is adequate for less than two years of reserve expenses.

As a result of our limited reserve funding, we expect the Board will assess owners about \$2,000 to \$5,000 each for the next 2 to 3 years.