Board Proposal for a Dues Increase for Stone Creek First Owners Association

The proposal below is being strongly considered by the HOA Board of Directors and will be voted on by the board at the March 10th, 2016 meeting.

The proposal is based on the board's analysis of incoming cash flow and outgoing monthly and yearly obligations along with the by-laws requirement to put $24,000 per year into the reserve fund to be used for significant capital maintenance items like streets, sewers, roofs, etc.

The proposal below is being made with the understanding by the board that if the proposal is adopted no new one time assessments or new increases to the monthly HOA dues for home owners will be made before September of 2017, except in the case of a financial emergency.

It should be noted here that there has been no monthly HOA dues increase to HOA members in six years, since July 2010, when at that time dues were increased $10 a month from $65 to $75. During this 6 year period regular costs to handle things like insurance, lawn mowing, snow removal and minor maintenance problems have all increased.

Proposal: Effective July 1st , 2016 monthly HOA dues will be increased from $75 to $90 per month.

Over the last 12 – 14 months both the increased costs for monthly and annual expenses (insurance, lawn care, snow removal) as well as several major maintenance items(tree replacement, street water valve replacement, drainage run off solutions, and other miscellaneous maintenance) have consumed all of the discretionary budget monies and have required the association to spend almost an additional $12,000 which by the association by-laws should have gone toward a deposit into the reserve fund. This means that the reserve fund for 2015 did not receive the full amount of $24,000 but rather only had deposits of $12,000.

The Board is considering the proposal stated above as the means to help make up the reserve fund short fall anticipated for 2016 and provide additional funds to meet the increased costs of running the association, This dues increase will ultimately add $180 for each home owner over one year period and will generate an additional $14,400 for the HOA. This addition should make up for the short fall in the reserve fund for 2016 and will also add an additional $2400.00 to the discretionary fund needed to run the association.

Please note that the board was elected by the Home Owners Association to make the best possible decisions for the Association as a whole. Anyone is welcome to attend the monthly meetings.

DATED: 02/25/2016