

SHERMAN PINES HOMEOWNERS' ASSOCIATION, INC.
Edgewater Management Group, LLC

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5 homeowners in person and 1 proxy were submitted for the annual meeting

Meeting started at 7:00 PM and ended at 7:55 PM

Sherman Pines Annual Homeowners Meeting
October 30th, 2019
Crandall Library - Holden Room
Glens Falls, NY 12801

Don Burnham, Mike Young, Scott Wiggins, Lee Cormie

Agenda

- Call to Order
- Approval of Annual Meeting Minutes 2018
- Treasures Report
- Treasures Report - Past Due
- Septic Update
- Septic Update - Pumping & Leach Fields
- Septic Update - Leach Fields (Facts & Figures)
- 2020 Budget - Draft
- Improvements
- Board Notifications
- By-laws - Path Forward
- Election of Board Members
- Questions/Open Discussion

Treasures Report

- Budget
- The overall budget is running close to plan. The expenses running over budget are the septic cleaned was planned for \$9639 and is estimated at \$14,065.15. Trees were planned for \$5,500 but has been lower at \$214.
- We did not move the 12K planned in early part of 2019 to a CD and we will most have 12K for 2019 that was planned and will open a new CD in early 2020 for 24K
- The legal fees are charged to the homeowner and will be paid back over time but the HOA has to pay the legal fees up front to the lawyer
- The leach field reserve appears to be in good shape but we had 43 out of 51 homes pumped at 1250 gallons and discussions ongoing with Stone.
- The board felt for the 2019 budget that we would keep the dues at \$46.
- CD/Reserve Funds (Balances as of October 26th)
- \$183,393.10 CD at Hudson River Credit Union
- \$30,818.24 CD at Key Bank
- \$38,991.37 Checking, \$16,498.42 Money Market (Balances as of October 26th)
- Total Reserves: \$214,211 (not including operating checking or money market)

- 2019 septic pumping has not be paid yet

Treasurers Report - Past Due

- Past Due Account Totals
 - ▶ \$11,027.27 Past Due as of September 30th (\$6,624 - 2008 Meeting, \$10,135 - 2009 Meeting, \$12,450 - 2010 Meeting, \$11,011.50 2011 Meeting, \$12,737.50 2012 Meeting, \$14,069.50 - 2013 Meeting, \$14,984.50 - 2014 Meeting, \$20,832 - 2015 Meeting, \$12,956 - 2016 Meeting, \$13869.42 - 2017 Meeting, \$14,665.27 - 2018 Meeting)
 - ▶ Past due amounts include any lawyer fees that have been added to the homeowners
 - ▶ Lien in the amount of \$9,457.51 (lawyer was involved, personal judgement was granted by the court and the homeowner is paying \$300 per month now)
 - ▶ Lien in the amount of \$1,365.76 (homeowner is paying \$75 per month)
 - ▶ Past due \$102 where a HOA letter was sent to the homeowner requesting payment
 - ▶ Past due \$51 where a HOA letter was sent to the homeowner requesting payment
 - ▶ Past due \$51 where a HOA letter was sent to the homeowner requesting payment
 - ▶ Overall past due has seen a major improvement from 2018, we still have one homeowner that is not paying consistently but the next action is back to court and proceed with full collection.

Septic Update

- Septic schedule - Scheduled for 2019
 - ▶ Autumn 5, 6, 9, 10, 15, 16, 19, 20, 23, 24, 28, 29, 34, 35, 36, 38, 39, 43, 44, 48, 51, 52, 57, 58, 59
 - ▶ Peachtree 9, 19, 25, 39, 48, 51, 55, 67, 68, 73, 78, 81
 - ▶ Fawn 3, 5, 9, 10, 13, 16, 17, 20, 24, 25, 34, 38, 42, 46
 - ▶ We expected the total to be around \$10,753.50
 - ▶ \$175 per house plus tax x 51 homes, \$20 dig fee plus tax x 51 homes, \$35 plus tax for three filter cleanings
- Septic schedule - Planned to be pumped in 2020
 - ▶ Autumn 30, 54, 56
 - ▶ Peachtree 7, 8, 12, 18, 20, 29, 33, 38, 42, 43, 44, 47, 52, 56, 60, 61, 64, 70, 74, 82, 85
 - ▶ Fawn 2, 21, 29, 30, 33, 37, 41, 45
- Septic estimate for single home in Queensbury for 20 yr. (was based on 16 yrs. in previous years)
 - ▶ Single home in Queensbury with a 20 year leach field life expectation
 - ▶ Assuming that the leach field is 405 square feet @ \$9.75 per foot
 - ▶ \$3950 would be needed
 - ▶ \$16.46 would need to be saved each month for 20 years
 - ▶ Sherman Pines Current Leach Field Savings
 - Based on our reserves of about 9-10K per year, we put in on average \$9-10 per month per homeowner. After 20 years, we saved \$2160-2400 per homeowner

Septic Update - Pumping & Leach Fields

- Brush Hog
 - ▶ We did brush hogging in the Fall 2019.
- Leach Field Failures
 - ▶ We did not have any failures in 2019 but the septic pumping has just finished. This is usually the time when problems arise with

inspection of the leach fields and gallons pumped per house (when we see increased amounts)

Expected Costs

- Based on the last three leach fields and if we use the highest amount which was \$9.75 per square foot.
 - 22 x 1200 s.f = \$257,400
 - 1 x 800 s.f = \$7,800
 - 15 x 405 s.f. = \$59,231
 - Total: \$324,431
- The last few leach fields that we replaced have been in the 10-12K range for a three house leach field. This number can go up and down depending on the engineering work that is required, the amount of soil that may be needed for the right perk test, etc.

Septic Update - Leach Fields (Facts & Figures)

- The board developed a 16 year leach field projection Excel file that we have used for budget planning for numerous years now. We have now increased to a 20 year projection
- We use a figure of \$9,000 for all leach fields
- We have 38 total leach fields
- We have replaced 8 since the original leach fields have been installed
- In 1994, we had 13 leach fields installed. 7 have been replaced and 6 are going on 26 years of use
 - 4 are three house leach fields and 2 are single house leach fields
- In 1995, we had 4 leach fields installed. None have been replaced so far
 - 1 are three house leach fields and 3 are single house leach fields
- In 1996, we had 7 leach fields installed. None have been replaced so far
 - 3 are three house leach fields and 4 are single house leach fields
- In 1997, we had 7 leach fields installed. 1 has been replaced so far
 - 2 are three house leach fields and 4 are single house leach fields
- In 1998, we had 2 leach fields installed. None have been replaced so far (1-2 homes, 1-3 homes)
- In 1999, we had 3 leach fields installed, None have been replaced so far (all are three home)
- In 2000, we had 2 leach fields installed, None have been replaced so far (1-single home, 1- 3 homes)

Septic Update - Leach Fields (Facts & Figures) - Summary

- Based on our 20 year projection, if ALL of the 1994-2000 leach fields all failed and had to be replaced in a short period of time, we would have a \$13,789 shortfall of funds. This is \$166 per home owner or \$13.84 per month.
 - This assumes that all of the leaches fields all fail in 2020

2019 Budget - Draft

Budget Report for Sherman Pines HOA			
	Budget 2019	Budget 2020	
Checking Account Balance	\$8,000.51	\$5,693.51	
Operating INCOME			
Income - HOA dues	\$45,264.00	\$45,264.00	*Assumes 82 houses are paying @ \$46 per month
Legal Fees Reimburse			
Interest	\$2,000.00	\$2,000.00	Projected interest on CD's
Late Fees			
Total Income	\$47,264.00	\$47,264.00	
Total Cash Available	\$55,264.51	\$52,957.51	
Operating EXPENSES			
Repairs and Maint.			
Septic Cleaning	\$9,639.00	\$6,048.00	*32 homes @ \$175 plus tax, @ \$20 plus tax
Emergency	\$1,500.00	\$1,500.00	* Pumping, Septic, etc.
Tree Removal	\$5,500.00	\$5,500.00	* Common area trees that need to be removed or trimmed
Grounds	\$2,500.00	\$2,500.00	*Reduced based on 2019 actual and every other week mowing
Leach Field Replacement	\$0.00		
Administrative	\$600.00	\$600.00	
Insurance	\$4,100.00	\$4,350.00	* Increased based on 2019 cost increase
Property Management	\$8,952.00	\$8,952.00	*Cost of living adjustment in the contract
SPEDES Permit	\$330.00	\$330.00	
Taxes: Real Estate	\$500.00	\$500.00	
Legal	\$2,000.00	\$1,500.00	*We think we have solutions in place for the one large balance
Accounting Review	\$1,200.00	\$1,200.00	
Miscellaneous - Web Site Maintenance	\$750.00	\$750.00	* Web site, Coupon Books, Bank fees, etc.
Total Expenses	\$37,571.00	\$33,730.00	
Contrib. to replacement/CD's	\$12,000.00	\$10,000.00	
Ending Cash Balance	\$5,693.51	\$9,227.51	

Improvements

- Green Day
 - Was skipped in 2019
- Annual Garage Sale (June 8th 2019)
 - We plan to fund this each year as an association
- Common Land Trees
 - Numerous trees are planned to be taken down in the common areas

Board Notifications

- Trees
 - Any common area trees that seem to be in danger need to be brought to the board's attention; the board does NOT inspect the common land area unless requested and we do not want anyone getting hurt by trees that appear to be a danger. Any trees on homeowner property needs permission from the board BEFORE removal
- Additions/Improvement to the exterior of Homes
 - Any additions/changes to the exterior of homes need to be submitted to the board for approval
- Thank you for your attention, we do not want to start fining people for not following the HOA rules and regulations.

By-laws - Path Forward

During the 2016 Annual Meeting, it was decided to rework the by-laws but the committee that was formed did not finalize anything.

We are looking for homeowners willing to commit the 3-5 hours to meet, discuss, and proposed new by-laws.

We will then need to get the needed signatures in order for them to go into effect.

The main complaints with the existing by-laws are around:

- Boats (should not be stored or parked for extended periods of time)
- Campers (should not be stored or parked for extended periods of time)
- Fences (old style stockade fencing only)

Election of Board Members

Questions/Open Discussions

- We discussed and agreed that we would check the Stone pricing for next year pumping. It is now \$175 plus a \$20 dig fee per house
- March 2020 we will open up a CD in the 20-24K range depending on how much money we have in the operating checking account
- One homeowner asked if there was a way for the HOA to offer a discount for full year payment. It is not possible since we are a not for profit and that would mean that other homeowners would have to make up any shortfall to maintain our annual budget