

**HARBISON COMMUNITY ASSOCIATION  
MINUTES TO THE MEETING OF THE BOARD OF DIRECTORS  
October 31, 2017**

The Harbison Community Association Board of Directors held a Regular Meeting on Tuesday, October 31, 2017. Board Members present were Mr. Hank West (President), Mrs. June Cannon (Vice President / Secretary), Mr. Stan Seabrook, Ms. Jaime Sellers, Mr. Ozzie Nagler, Mr. Andy Peach, Mr. Tom Brower, Mr. Terry Helsley. Association Staff Members in attendance were Mr. Dave Grove, Mr. Ray Cloutier, Mrs. Danell Gunter, Ms. Betty Brooks, and Mr. Jeremy Webb. Resident Ms. Mary Bradford was present.

A quorum being present for the meeting, Mr. West called the meeting to order at 6:05pm.

**Approval of Minutes - Board Meeting – August 29, 2017**

Following discussion, Mr. Nagler moved the Minutes be approved, Ms. Sellers seconded and the Motion was passed with a vote of 7 for, 0 against, 1 absent at time of vote (Mr. Helsley).

**Resident Input**

Ms. Bradford questioned how Budgets and Assessment Rates are determined. Mr. Grove explained that the purpose of the October Board Meeting was for the Staff to present a tentative Budget and at the November Meeting, the Board would be asked to approve the 2018 Budget which in turn would establish the Assessment Rates for 2018. Ms. Bradford was encouraged to attend the November Meeting to learn more about the entire budgeting process.

Jeremy Webb, speaking as a Resident, inquired about the viewing platform at the Residents' Tennis Courts. Discussion revealed that measures need to be taken to protect it more from vandalism. Additional lights focusing on the platform, clearing of some underbrush may make the area more visible from Piney Woods Road and improve security. The viewing platform allows visitors or players to observe tennis matches and has been there for many years.

**DDRC Report**

Mr. Nagler presented the DDRC Report:

- \* Home Owner, solar panels approved - Bradstone Road, "Glenridge" area
- \* Home Owner, solar panels approved - Timberhill Court, "Archers Courts" area
- \* Echo Park Addition, constr. drawings approved -900 Western Lane (adjacent to Southland Log Homes on Broad River Rd.)
- \* Miyabi's, replacement monument sign approved, 442 Columbiana Drive
- \* Fresh Poke, signage approved, 252-F Harbison Blvd., - (Harbison Court Center-Nordstom Rack et al.)
- \* AMC Theaters, additional landscaping approved, 120 Afton Court (formerly Carmike Cinemas)
- \* Home Owner, solar panels approved, - Split Rock Court, "Beacon Hill" area
- \* Love Automotive, expansion of Service Bldg., approved, 120 Parkridge Road
- \* Firenza Pizza, name change signage approved, 1270 Bower Parkway
- \* Outback Steakhouse, minor color change approved, 252-A Harbison Blvd., (Harbison Court Center Nordstom Rack et al.)
- \* Home Owner, solar panels approved, Columbiana Ave., "Beacon Hill" area.
- \* First Choice by Select Health of SC, signage approved, 217 Park Terrace Drive (next to Academy Sports).
- \* Blazer Financial, signage approved, 735 Saturn Parkway, (near Love Buick/GMC).
- \* Home Owner, solar panels approved, Harbison Club Court, (next door to Community Center)

## **RDRC Report**

Mr. Cloutier presented the following RDRC Report:

- \* Replace windows approved, Salvia Court (Forest 11 area), 09/06/17
- \* Pool pavilion approved, Woodpine Court (off Piney Woods Road), 09/21/17
- \* Storage building approved, Northpine Court, (off Forest Edge Road near Piney Woods Road), 10/30/17.

## **Old Business**

Dave Grove stated that he had asked some Staff Members to brief the Board on recent events in their areas:

Jeremy Webb - Maintenance: (1) Stated that the recently constructed Dance Room was already being used for shag lessons with other types of dancing to start soon. In early 2018, mirrors will be added along with acoustical speakers, a ballet barre. The room was constructed primarily by HCA employees which saved thousands of dollars versus using outside contractors; (2) Landscaping of HCA Common Areas was continuing with mulch and some plants being added; (3) Lights will be added in 2018 to the recently completed Overflow Parking Lot. HCA recently hosted a High School Swim Meet and the parking lot was filled to capacity; (4) Painting of Crosswalks in HCA areas was recently completed. HCA assisted the Harbison Elementary School by having a crosswalk painted at their facility - as part of our efforts to assist the community; (5) HCA has agreed to construct a sidewalk connecting two sub - associations, with materials being paid for by one of the sub associations.

Danell Gunter - Athletics/Aquatics/Programs: (1) Beginning in August - during the week the Center was closed for maintenance, repair work was performed on the pool floor. Initially, it was thought that only 10% of the old floor material had to be removed but the contractor discovered that the entire floor surface had to be taken up so new tile could be installed. Reserve Funds were used to pay for this expense. Controls will be applied to Scuba Teams practicing in the pool so that their tanks will not damage the newly installed tile; (2) Several new treadmills were purchased to replace older models that were frequently in need of repair. Both weight rooms continue to be used by Members.

Betty "Cookie" Brooks- Community Resources: (1) HCA recently hosted a meeting of all HCA Sub Associations, with Capt. Joe Odom of the Richland County Sheriff's Dept. as the guest speaker. Discussion also centered around mutual problems of the sub associations and how HCA - as the Master Association - could assist; (2) Practices being utilized to connect with Property Managers of Apartments and with various businesses were mentioned which include letters - phone calls and personal visits. These contacts help to explain the Mission of HCA and to answer questions about assessments - or programs being offered. Board Member Stan Seabrook mentioned that it would be great if some of the commercial properties would be willing to sponsor HCA teams (example - tennis). Ms. Brooks and Mrs. Gunter indicated that several of the establishments have provided supplies and or funds periodically as sponsors of our programs.

## **New Business**

Prior to presenting the 2018 Proposed Budget, Dave Grove stated that the purpose of the October Board Meeting was simply for the Staff to present the Proposed Budget. During the next few weeks the Board would have an opportunity to review the material and at the November Board Meeting, more discussion would be involved with final approval of the 2018 Budget requested.

Assessment rates, which have been the same for the past three years, would be increased slightly - under the proposed Budget - but only - up to the level that existed in 2004 !!! During the past 13-14 years, expenses have definitely increased for many products/materials/labor but HCA has done a very good job of controlling costs and managing the various budgets. However, it is very appropriate that after three years - the assessment rates must be increased. The Board will review the material prior to the next Board Meeting in late November.

**Executive Session**

Mr. Brower Motioned that the Board move into Executive Session to discuss personnel matters. Mrs. Cannon seconded and the Motion passed with a vote of 8 for, 0 against. 7:16pm

Mr. Seabrook Motioned the Board reconvene Open Session, Mr. Helsley seconded, and the Motion passed with a vote of 8 for, 0 against. 8:35pm

**Adjournment**

Hearing no additional business, Mr. Nagler made a Motion that the meeting be adjourned. Mrs. Cannon seconded, and the Motion passed with 8 for, 0 against. 8:36pm.



June Cannon  
Vice President / Secretary

Attached: Proposed 2018 Budget

# HARBISON COMMUNITY ASSOCIATION

## Assessment Calculation for Calendar Year 2018

### BASIS OF 2018 CALCULATIONS

The 2018 budget calculations are based upon the following information.

\$225,798,661	Value of 1996 single family residences
148,962,983	Value of apartment complexes, quadraplexes and assisted living facilities
<u>247,904,276</u>	Value of retail/commercial (One-Half of actual value used to calculate proportion of HCA assessment)
\$622,665,920	Total value of Harbison property as used for the HOA assessment calculations.

### 2018 PROJECTED EXPENSE AND ASSESSMENT CALCULATIONS

\$ 2,600,576.00	Expenses as requested for the budget
\$ (41,428.00)	Less Projected Revenue from Adlerian lease & utilities
\$ (288,720.00)	Less Projected Revenue from operation of the Recreation Center
<u>\$ (100,505.00)</u>	Less Projected Other Revenue (fees & misc)
\$ 2,169,923.00	Amount needed from assessments to meet projected expenses for 2018

\$ 786,883.77	Amount to be assessed to single family residences
\$ 519,119.79	Amount to be assessed to apartment complexes
<u>\$ 863,919.44</u>	Amount to be assessed to retail/commercial
\$ 2,169,923.00	Matches amount needed as shown above

### 2018 PROPOSED ASSESSMENT RATES

0.0018 Proposed decimal assessment rate per dollar of assessed value of residential  
\$168 Proposed proportionate fee for single family residences

2018 assessment formula for single family residences is as follows:

$$0.0018 \times \text{appraised value} + \$168 \text{ proportionate fee}$$

0.0036 Proposed decimal assessment rate per dollar of assessed value of apartments

0.0018 Proposed decimal assessment rate per dollar of assessed value of commercial

The calculations below show about what the actual billing calculations will produce in revenue if all units pay..  
The results are hypothetical only, but use the source numbers to determine revenue from each category.

\$741,766	Computed income from single family residences
\$536,267	Computed income from apartments
<u>\$892,455</u>	Computed income from retail/commercial (whole value x assessment rate)
\$2,170,488	Projected total income if all units paid as set above

### 2018 PROJECTED BUDGET SURPLUS/DEFICIT

\$2,170,488	Yearly income for all units billed as set above
<u>\$2,169,923</u>	Amount needed to cover association's projected expenses
\$565	Excess (shortfall) caused by rounding factors

	Budget 2018	Projected 2017	Budget 2017	\$ Change Budget 2018 to Projected 2017	% Change Budget 2018 to Projected 2017
<b>INCOME</b>					
Assessment Income	\$2,170,488	1,940,748.00	1,934,404	229,740	12%
Late Fee & Penalty Income	35,000.00	44,186.67	20,000	(9,187)	-21%
NSF Income	250.00	233.33	500	17	7%
Lease Income	41,428.00	41,424.00	41,428	4	0%
Interest Income	62,255.00	61,835.78	50,000	419	1%
Membership Income	86,400.00	86,120.00	89,000	280	0%
Program Income	173,520.00	175,920.00	165,000	(2,400)	-1%
Facility & Equip Rental Income	28,800.00	28,694.67	20,000	105	0%
Concession & Vending Machine	-	-	500	-	0%
Other Miscellaneous Income	3,000.00	4,626.67	25,000	(1,627)	-35%
	<u>\$ 2,601,140.72</u>	<u>\$ 2,383,789.11</u>	<u>2,345,832</u>	<u>217,352</u>	<u>9%</u>
<b>EXPENSES</b>					
<b>PERSONNEL EXPENSES</b>					
Payroll - Wages & Bonuses	1,140,829.00	994,488.00	936,000	146,341	15%
Payroll Taxes - Employer	108,379.00	96,532.00	84,617	11,847	12%
Employee Group Benefits	193,263.00	132,612.00	142,200	60,651	46%
Add'l Employee Benefits	4,000.00	5,938.67	3,660	(1,939)	-33%
Payroll Processing Expense	5,750.00	5,553.33	4,500	197	4%
Employee Business Expenses	15,960.00	16,309.33	18,000	(349)	-2%
Board Meeting Expenses	600.00	526.67	650	73	14%
Conventions & Travel	2,000.00	3,385.33	5,000	(1,385)	-41%
Other Reimbursements	1,800.00	9,185.33	5,000	(7,385)	-80%
<b>TOTAL PERSONNEL EXPENSES</b>	<u>\$ 1,472,581.00</u>	<u>\$ 1,264,530.67</u>	<u>1,199,627</u>	<u>208,050</u>	<u>16%</u>
<b>ADMINISTRATIVE EXPENSES</b>					
Administrative Expenses	-	-	-	-	0%
Professional Services	35,000.00	41,674.67	50,000	(6,675)	-16%
Collection & Lien Expense	36,000.00	15,402.67	12,000	20,597	134%
Management Fees	-	-	-	-	0%
Employment Expenses	1,160.00	2,956.00	3,000	(1,796)	-61%
Bank Charges	525.00	980.00	1,000	(455)	-46%
Insurance Expenses	195,000.00	176,604.00	170,000	18,396	10%
<b>TOTAL ADMIN EXPENSES</b>	<u>\$ 267,685.00</u>	<u>\$ 237,617.33</u>	<u>236,000</u>	<u>30,068</u>	<u>13%</u>
<b>OPERATING EXPENSES</b>					
Contract Services	143,000.00	122,696.00	155,420	20,304	17%
Office & Operating Supplies	50,000.00	42,093.33	91,200	7,907	19%
Utilities	180,000.00	180,021.33	165,000	(21)	0%
Telephone & Internet	2,700.00	2,698.67	8,136	1	0%
Postage & Printing	36,320.00	37,556.00	26,400	(1,236)	-3%
Dues & Subscriptions	180.00	917.33	180	(737)	-80%
Rent & Lease Expenses	12,000.00	10,868.00	10,000	1,132	10%
Bldg & Grounds Maintenance	90,400.00	68,488.00	55,000	21,912	32%
Technology Maintenance	13,460.00	29,312.00	13,500	(15,852)	-54%
Other Operating Expenses	34,000.00	56,761.33	75,000	(22,761)	-40%
Bad Debts & Write-offs	10,000.00	5,312.00	3,600	4,688	88%
Depreciation Expense	156,000.00	154,206.67	170,000	1,793	1%
Taxes & Other Fees	1,500.00	1,246.67	2,400	253	20%
Miscellaneous Expenses	5,750.00	22,220.00	6,000	(16,470)	-74%
Reserve Contributions	125,000.00	125,000.00	125,000	-	0%
<b>TOTAL OPER EXPENSES</b>	<u>\$ 860,310.00</u>	<u>\$ 859,397.33</u>	<u>906,836</u>	<u>913</u>	<u>0%</u>
<b>TOTAL EXPENSES</b>	<u>\$ 2,600,576.00</u>	<u>\$ 2,361,545.33</u>	<u>2,342,463</u>		
<b>NET INCOME</b>	<u>\$ 564.72</u>	<u>\$ 22,243.78</u>	<u>3,369</u>		