

**HUNTINGTON HILLS, INC**  
**INCOME/ EXPENSE STATEMENT- Report of Financial Operations**  
**01/01/2016 – 12/31/2016**

**BEGINNING BALANCE:** \$6382.66

**INCOME:**

2016 COLLECTED ASSESSMENTS (one unpaid) \$3990.00

**TOTAL CASH** \$10372.66

**EXPENSE**

TOWN/ COUNTY TAX \$745.81

SCHOOL TAX \$846.21

**TOTAL TAX** (\$1592.02)

LIABILTY INSURANCE \$ 563.00

D&O INSURANCE \$ 751.00

**TOTAL INSURANCE** (\$1314.00)

**OTHER EXPENSES**

MEETINGS & SUPPLIES \$ 105.68

PRINTING/BROCHURES \$ 0.00

INCOME TAX PREP \$ 160.00

INCOME TAX PD. \$ 0.00

WEB- HOSTING/DOMAIN \$ 234.75

LEGAL \$ 34.45

**TOTAL OTHER EXPENSE** (\$ 500.43)

**TOTAL EXPENSE** (\$3406.45)

**NET INCOME (LOSS) 2016** \$ 583.55

**ENDING FUND BALANCE 01/01/2016** \$ 6931.76

**HUNTINGTON HILLS, INC**  
**PROPOSED BUDGET & ASSESSMENT AT \$65**  
**01/01/2017 – 12/31/2017**

**CASH ON HAND 12/31/2016** **\$6931.76**

**EXPENSE**

TOWN/ COUNTY TAX	\$760	
SCHOOL TAX	\$860	
<b>TOTAL TAX</b>		<b>(\$1620)</b>
LIABILTY INSURANCE	\$ 575	
D&O INSURANCE	\$ 775	
<b>TOTAL INSURANCE</b>		<b>(\$1350)</b>

**OTHER EXPENSES**

MEETINGS & SUPPLIES	\$ 200	
BROCHURES/PRINTING	\$ 0	
INCOME TAX PREP	\$ 170	
INCOME TAX EST	\$ 25	
MISC LEGAL/COLLECTION	\$ 200	
WEB HOSTING	\$ 25	
<b>TOTAL OTHER EXPENSE</b>		<b>(\$ 870)</b>

**TOTAL EXPENSE** **(\$3840)**

**PROPOSED ASSESSMENT AT \$65:**

**62 FULL SHARES, 2 ea 50% SHARES**

**= TOTAL OF 63 FULL SHARES,**

**LESS 3 SHARES (CREDIT LOSS)= 60 COLLECTED SHARES**

**\$3840/60= \$64, SAY \$65 AS ASSESSMENT 2017. \$65 X 60= \$3900**

**ESTIMATED CASH BALANCE 12/31/2017** **\$6991.76**

**\*REQ'D RESERVES = (1 YR EXPENSES + \$1500) = (\$3840 + 1500) = \$5315** **\*\$5340.00**

**\*EXCESS/FREE RESERVES** **\*\$1676.76**

## **Notice: Policy Update for Late/Delinquent Payment of Assessments:**

### **Situation:**

About 20% of assessment payments are made later than the due date. Some many months later. This requires additional: collection efforts, billing expense, and reporting time. The Board recognizes that most late payments may not be intentional, but policy should be improved to emphasize the mandatory legal obligation of billing and timely payment, like condo and other HOA periodic assessments.

### **Policy to be implemented in 2017:**

- A “bank-like” invoice will be sent showing the amount of the assessment, the due date, and the late charge.
- A resident account will be deemed “delinquent” on the 91<sup>st</sup> day of being due and payable. To the extent that payment has not been made within the 90 day “grace” period, fees and charges are authorized as follows:
- \$5.00 for each month or part thereof that the payment or any part thereof has been delinquent.
- Any extraordinary expenses related to the collection of delinquent assessment(s).
- This policy may be modified at the discretion of the Board.
- One “late Notice” will be sent as a courtesy. Subsequent notices will be sent as needed. If payment has not been made after 6 months of delinquency, the Board shall take such legal or other action as deemed appropriate.

### **Conclusion:**

**80% of residents will never be affected.** The intention is to bring some businesslike formality to the billing and payment process, and just use the same methods as other recurring obligations (eg.: loans, taxes, utility payments, condo/HOA fees, etc.). **THIS IS NOT INTENDED TO BE A REVENUE SOURCE.** It is simply normal billing procedure, and primarily intended to encourage timely payment.