



December 2015

Dear Riverwoods Townhome Homeowner:

The Association Board of Directors approved the 2016 Budget, which provides for a monthly assessment of \$190. The \$7 per month increase is due to an increase in the amount budgeted for snow removal.

- Enclosed is your 2016 coupon booklet. Please be sure to enclose the coupon for the correct month, fully completed, with each payment.
- **Your account number is the address of the unit you are paying for.** Please make sure to include this account number, especially if you make online payments.
- Checks must be made payable to the Association and mailed to the P.O. Box. Bank security requires the **full Association name** on all checks. Checks made payable to and/or mailed to the management company will be returned to you. If you use an on-line payment vendor, please ensure that they have the proper payment information and payment address as indicated in your coupon booklet.
- Post-dated checks will not be accepted and will be returned to you for proper dating.
- Association payments are due on the FIRST of each month. If your payment is not **RECEIVED** on time, an automatic late charge is assessed. Postmarks are not used to determine the time of payments.

A copy of the Association's 2016 budget is enclosed for your information.

Sincerely,

Board of Directors
RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION

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RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
COMMON AREA
2016 BUDGET

INCOME

Assessments - Singles	\$228,380
Assessments - Townhomes	19,150
Resale Capital	7,750
Interest	7,070
Miscellaneous	1,500
Late Charges	<u>850</u>
TOTAL INCOME	<u><u>\$264,700</u></u>

EXPENSES

Grounds Maintenance	\$62,910
Snow Removal	40,000
Trash Removal	38,690
Management Service	11,690
Pond Maintenance	5,250
Office & Administrative	3,225
Insurance	2,725
Repairs & Maintenance	2,700
Legal & Accounting	2,000
Site Lighting	1,500
Corporate Tax	<u>860</u>
TOTAL EXPENSES	\$171,550

CAPITAL RESERVE & CONTRIBUTED CAPITAL

(Includes Interest of \$6,850)

58,800

ASH TREE REMEDIATION RESERVE

34,350

TOTAL EXPENSES & RESERVE

\$264,700

RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
2016 BUDGET ANALYSIS

INCOME

Assessments - Singles: The annual assessment for each detached single home is \$1,098, an increase of \$63.

Assessments – Townhomes: The monthly townhome contribution to the Master Association is \$76, an increase of \$5.25. The townhomes will also be assessed for services provided solely to them; please refer to their separate budget.

Resale Capital: It is projected that one townhome will be resold and pay a capital contribution of \$250 and ten single homes will be resold and pay a capital contribution of \$750. These funds will be transferred to the capital account.

Interest: Projected at 1.0% on the Association's operating, reserve and capital funds.

Miscellaneous: The Association is reimbursed by New Hope Borough for electricity charges to ten streetlights.

Late Charges: It is anticipated that some owners will pay their assessment late and incur late charges.

EXPENSES

Grounds Maintenance: The Association is responsible for maintaining the common open space, comprised of 18 acres. The Association will mow these areas approximately 25 times per year. The grass areas will receive turf applications in the spring and fall. In addition, the Association owns other common areas that will remain in their original, natural condition or that contain wetlands, which may not be disturbed. The budget also provides \$8,500 for the non-contracted landscaping services.

Snow Removal: The Association is responsible for plowing snow on the roads and hand shoveling snow from the sidewalk along common ground. The budgeted amount is based on the average expense of the prior four years.

Trash Removal: The Association provides trash removal service for all homes. The monthly unit cost for the single-family homes is projected at \$15.50 and includes recycling service.

Management Service: In accordance with the existing Management Agreement.

RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
2016 BUDGET ANALYSIS

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Pond Maintenance: Funds provided for applications to the pond.

Office & Administrative: Includes the estimated cost of office stationery, lockbox fees, postage, copying, court costs and other miscellaneous Association expenses.

Insurance: The Association will maintain coverage on the common ground, directors' & officers' liability insurance, plus general liability insurance. Owners are responsible for insuring their homes, including building coverage, personal contents and liability coverage.

Repairs & Maintenance: Projected at \$225 per month for general repairs of the common area not included in the grounds maintenance budget.

Legal & Accounting: The Association will employ an accountant to prepare an independent financial statement and tax return annually. Funds are also provided for routine legal services.

Site Lighting: The Association is responsible for electricity to the ten site lights, at a projected monthly cost of \$125.

Corporate Tax: The Association is responsible for paying tax on its net interest income.

CAPITAL RESERVE & CONTRIBUTED CAPITAL: In accordance with the Capital Reserve Analysis, each unit will contribute \$193 annually to the fund. In addition, all interest earned on the capital reserve fund, projected at \$6,500, will be retained in the account.

The Association has a total Capital Contribution Assessment of \$7,750 budgeted for all resales of homes within the community. Any assessments received for resale Capital Contributions will be placed in the Capital account. All interest earned on the Capital funds, projected at \$350, will be retained in the account.

ASH TREE REMEDIATION RESERVE: Funds being reserved for the future anticipated removal and/or treatment of the community's many common area ash trees due to the impending Emerald Ash Borer infestation. The annual unit contribution for the 2016 budget is \$150.

RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
TOWNHOME AREA
2016 BUDGET

INCOME

Assessments	\$28,730
Interest	710
Miscellaneous	<u>320</u>
TOTAL INCOME	<u><u>\$29,760</u></u>

EXPENSES

Grounds Maintenance	\$10,140
Management Service	5,870
Trash Removal	3,910
Snow Removal	2,500
Site Lighting	320
Repairs & Maintenance	240
Corporate Tax	<u>20</u>
TOTAL EXPENSES	\$23,000

CAPITAL RESERVE

(Includes Interest of \$710)

TOTAL EXPENSES & RESERVE

<u>6,760</u>
<u><u>\$29,760</u></u>

RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
TOWNHOME AREA
2016 BUDGET ANALYSIS

INCOME

Assessments: The total monthly assessment, including each owner's share of the Master Association expenses, is \$190, an increase of \$7. Each owner's share of the Master Association's annual assessment is \$912 or \$76 per month, for maintenance of the entire community's common ground, excluding trash removal.

Interest: Projected at 1.0% on the Association's reserve fund.

Miscellaneous: The Association is reimbursed by New Hope Borough for electricity charges for four street lights.

EXPENSES

Grounds Maintenance: Service to the private lots includes 25 mowings per year, regular edging of sidewalks, spring and fall cleanup, turf applications to all lawn areas plus remulching and edging of the shrubbery beds in the spring. Individual homeowners are responsible for insect control and replacement of their shrubbery and trees. Maintenance of the common ground beyond the individual lots is the responsibility of the Master Association. An additional \$600 is budgeted for non-contracted landscaping services.

Management Service: In accordance with the existing Management Agreement.

Trash Removal: The Association is responsible for twice weekly curbside trash removal and once weekly recycling service. The budget is based on a projected monthly cost of \$15.50 per home.

Snow Removal: Parking areas will be plowed when there is an accumulation of two or more inches of snow. Homeowners are responsible for shoveling their entrance walks and the sidewalk in front of their homes. The budgeted amount is based on the average expense of the prior four years.

Site Lighting: The Association is responsible for electricity to the four parking lot lights, at a projected monthly cost of \$27.

Repairs and Maintenance: Projected at \$20 per month.

Corporate Tax: The Association is responsible for paying tax on its net interest income.

RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
TOWNHOME AREA
2016 BUDGET ANALYSIS
- continued -

CAPITAL RESERVE: In accordance with the Capital Reserve Analysis, the monthly unit contribution is \$24. In addition, the interest earned on the reserve fund, projected at \$710, will be retained in the account.

In accordance with the Association's documents, the Association is also responsible for replacement of siding. It is anticipated that the vinyl siding will last for the life of the building, so funds have not been reserved for its replacement.