

# **Association Fee Questions**

## **What is the yearly assessment and what does it cover?**

The yearly assessment is amount each homeowner is required to pay to provide an equal share for the operation budget of the Association. The yearly assessment is divided into four quarterly payments.

## **What is the operation budget?**

The operating budget is a projection of the money needed by the Association to cover its operating expenses and provide adequate reserves for repair and replacement of the elements of the property the Association maintains. Hidden Valley Association's fiscal year runs from April to March. Each year the budget is presented to the Association members, adopted by the Board of Directors, and subject to be voted down by the Association in March before the fiscal year begins.

## **What is the reserve study and why do we need it?**

A reserve study is a careful analysis of the future repair and replacement needs of a homeowners association based on the condition of the elements of the property it maintains, a projection of the remaining useful life of these elements and future cost to repair or replace them, and the amount of money the association has in its reserve fund. A reserve funding plan is an agenda regarding collecting money from the owners through regular and/or special assessments to fund the reserve needs of the association.

## **What expenses are we saving for in the reserve study?**

The major expenses to be covered by the reserves include the repaving and eventual replacement of the roads, the repair and eventual replacement of the sidewalks, and cleaning out the sewers.

## **What period of time do our quarterly assessments pay for?**

The quarterly assessment are paid ahead of time for the next three months. For example: Your invoice dated for April 1<sup>st</sup> covers the months of April, May, and June.

## **How do I pay my quarterly assessment?**

Homeowners may mail their payments to the following address:

1 Hidden Valley Drive  
Meriden, CT 06451

Homeowners may also submit their payment online at the link provided on the website for a small additional convenience fee.

### **What is not covered by the quarterly fees?**

The Association is not responsible for trash collection. Homeowners must privately contract that service with companies such as Tony's Trucking or All Waste.

### **How is the amount of my assessment determined?**

This budget is set upon specific guidelines for utilities, landscaping, administration, etc. Reserve funds are monies set aside for future expenses due to the life expectancy of certain items: lighting, street resurfacing, fencing, etc. These amounts are then divided by the number of units built in a given phase of the development. Budgets are developed by the Board of Directors, ratified by the homeowners, and then submitted to the management company to follow. The assessments are adjusted periodically if necessary, to meet anticipated expenses.

### **What happens if I don't pay my assessment?**

The maintenance services incurred by the Association are dependent upon timely receipt of the assessments due from each homeowner. If payments are late you will incur a \$25 per quarter late fee. The CC&R's allows the Association to charge late charges and proceed with a lien on your property, or foreclosure proceeding for nonpayment of assessments.