

Casitas Montana HOA

A few weeks ago, Dustin Snow and I had a meeting regarding the financial situation our HOA is in. I want to share with everyone our thoughts and ideas about what course of action we should take.

Here are my/our thoughts: After review the year expenses, I looked at the 4 largest expenses. They are

Water \$11,811

Landscaping \$7700

Electrical \$7390

Insurance \$5963

We can also look at the other expenses, but it is clear if we can cut some of the largest expenses it would help the most, but also pool maintenance/repair/supplies seems high at \$4300 per year? I know for a small pool about \$100 per month including chemicals is about the going rate?

Water – Currently it is \$1000 per month! That works out to be \$50 per person (if all 20 units are paying). I feel right now everyone views the water usage as “free” since the HOA pays and it is on 1 meter. I suggest we look into sub metering so everyone pays for what they use. Also we need to look at the grass area that we water and look at all ways to reduce the amount of water we use. I do like the grass area, but what is it costing us? If we sub meter, we can also find out exactly what the cost is.

Landscaping – Again look into less labor intensive landscaping and reduce the number of times they come per month?

Electrical – one of the major expenses is to heat the spa 24 hours a day to over 100 degrees. We need to look at ways to reduce this cost. Do we run it all the time? Put it on a timer? What about a cover? Not a lot we can do about the security lighting, we already use energy efficient fixtures? Unsure where else we can cut the electrical costs?

Insurance – We are paying for flood insurance when we are NOT in a flood way? I suggest the HOA stops paying this. Look at our coverage, and do we need all the coverage we currently have? Also gets bids and see if another carrier can offer the coverage for less?

I also propose that we go after the past HOA owners that have NOT paid us! That is what got us into this situation. Dustin has a person that will do that for 50% of what we collect.

I also suggest we increase the late fee. Currently it is \$15 per month. Make it cost to have people not pay their HOA dues. We can also look at this on a case by case basis for the home owner struggling?

Lastly (I do not like to say this) I think we HAVE to raise the HOA dues? I see no other way? Hopefully we can again reduce them if/when our income starts to exceed our expenses?

I welcome, and I am open to, any other thoughts and ideas

William Jugenheimer