



Mirabella Annual Meeting

December 9, 2024

6:30pm-8pm



Event Protocol



PLEASE NO
PHOTOGRAPHY OR
RECORDING OF THE
MEETING



WE ASK THAT ALL
ATTENDEES REMAIN QUIET
FOR THE DURATION OF
THE PRESENTATION TO
ALLOW ALL MEMBERS TO
HEAR IMPORTANT
INFORMATION



PLEASE HOLD QUESTIONS
UNTIL THE END. MANY
QUESTIONS MAY BE
ANSWERED THROUGHOUT
THE PRESENTATION THIS
EVENING

Agenda

- Call to Order, Introduction & Welcome
- Community Updates
- 2024 Financial Review
- 2025 Budget Review
- Closing Remarks
- Adjournment
- Homeowner Forum

Introductions



Board of Directors

Lisa Moretz – President

Advisory Committee

Brandon Edwards
McKenna Lindley
Sharon Zygmunt

Glenn Heller
Mike McDorman

Project Manager

Bill Rice



Kuester Management

Jane Joyce, CMCA® AMS® -
Community Manager

Developer Updates

- Major work done on Ponds/Filters
- Streets, Curbs, Sidewalks repaired in Eastwood Section
- Speed Limit, Turns, other traffic signs were installed, replaced, or removed as directed by the Town

Community Updates

- Work completed on repairs to Rain Garden 1, Filters 1, 2, and 3; most work done on Wet Pond 1 and Filter 4
- Holiday decorations upgraded for front entrance and the clubhouse
- Social Committee added new events:
 - Adult Nights (2)
 - Back to School Party

Committees

Committees are an important part of a Homeowners Association. They help to keep the community active and give the homeowners more input into how the community operates.

The committees in red need volunteers. Currently all work is being handled by Board members

Visit the Portal to Apply!



Compliance Process Reminders

Standardized letters and process to provide fairness and equity to all homeowners

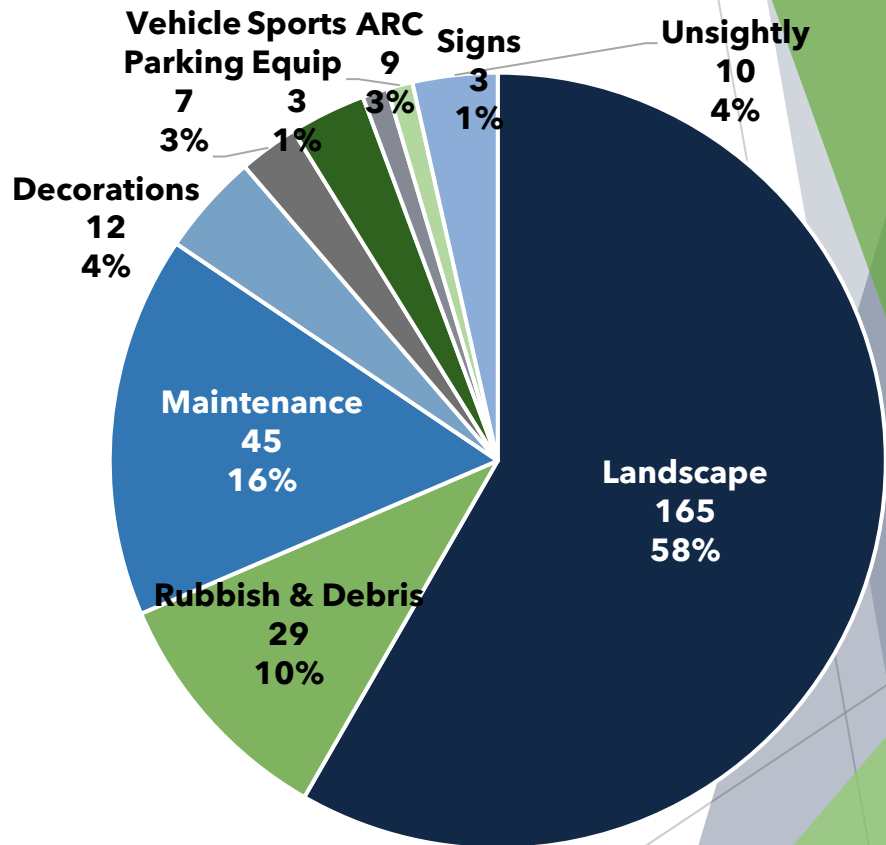
Letters are also emailed to homeowners who have an email address registered to their account.

- Less delay of mail time and uncertainty of delivery

Contact Kuester Management via the Homeowner Portal at [Kuester.com](https://kuester.com) or by emailing support@kuester.com



Top Violations



1. Covenant
Reminder

2. Notice of
Violation

3. Notice of
Hearing

Hearing before
the Board/Panel

4. Hearing Results
Notice

5. Notice of Fine

Management Company - Service

Service Levels - Last 12 Months

- Number of Homeowner Inquiries: 519
- Average first reply time: 24.7 hrs.

How to Contact Us

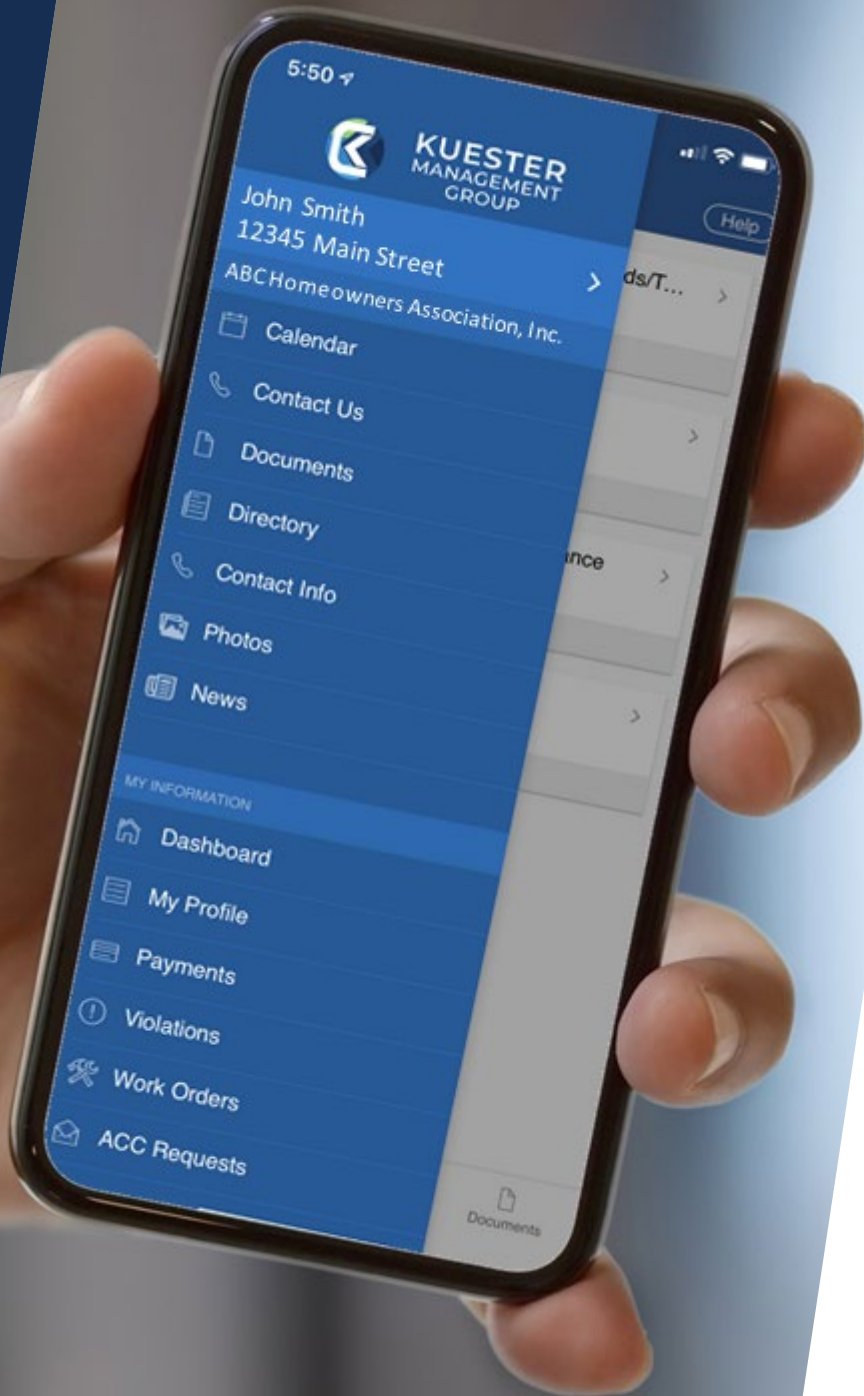
- Email: support@kuester.com
- Phone: 803-802-0004
- Community Portal: www.kuester.com
- Homeowners Registered on Portal: 121

PLEASE REGISTER TO STAY INFORMED!



Kuester Connect Homeowner App

- **Access your HOA Account from Anywhere**
 - Quickly access your HOA Account from your mobile device to make a payment, review the status of a work order, ACC request, or a compliance violation.
- **Review Community Documents in a Snap**
 - Have your community documents in the palm of your hand!
 - Find the document you need with a simple tap and easily navigate through important files.
- **The Entire WebPortal in a Simple App**
 - Connecting with your Homeowners Association has never been easier!
 - Download the app today!



- Fiduciary Duty

- Enforcement of CCRs of the community
- Establish fiscal policies and maintain records
- Ensure adequate reserves (\$\$) for maintenance and replacement of community assets (buildings, grounds, infrastructure)
- Develop working budget and assessment rates
- Appointment of committees and delegation of authority
- Select attorney, insurance agent, CPA and/or other professionals
- Obtain and maintain adequate insurance protection as per CCRs

Purpose of the Board of Directors

ACCOUNT		BALANCE
Operating Account	\$	205,989.46
Reserve Accounts	\$	163,060.93
Capital Contributions	\$	11,835.73
Reserve Capital Contributions	\$	54,331.96
TOTAL CASH	\$	451,468.08
Accounts Receivable (Delinquent Assessments)	\$	16,250.00

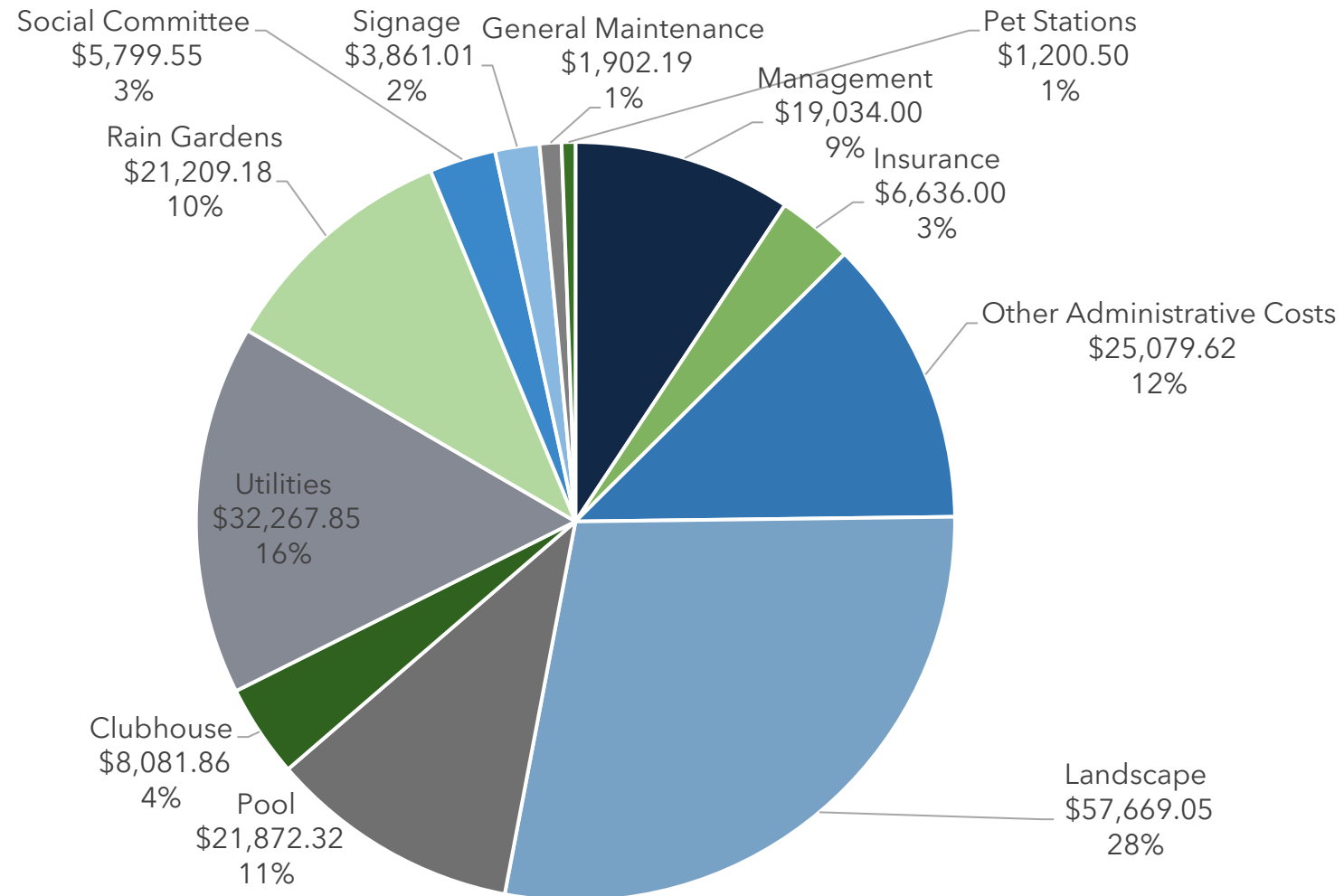
INCOME STATEMENT

Year to Date Income (Assessments)	\$ 296,407.24	\$300.00/home/quarter
Year to Date Income to Reserves	\$ (55,600.00)	
Year to Date Income (Other)	\$ 16,827.81	LF/LI/Fines/Interest/ Amenities
Year to Date Operating Expense	\$ <u>204,613.13</u>	
	\$ 53,021.92	Net Operating Income

2024 Financial Review
Income Statement (***Through 10/31/2024***)



2024 Financial Review - Operating Expenses Thru 10/31/2024



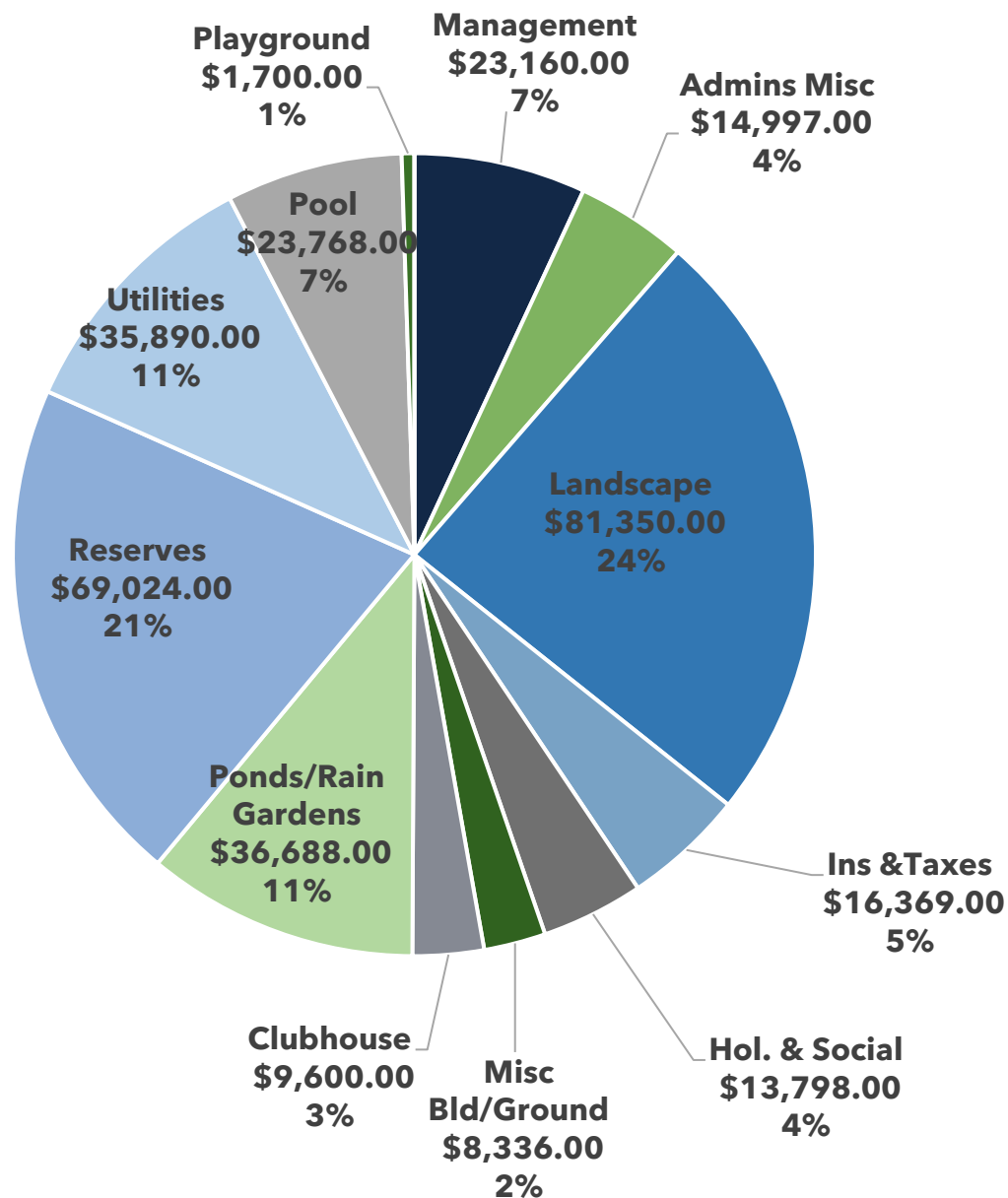
2025 Budget Review

2025 Assessments:

- Homeowner Assessment: \$330 / Quarter
- This is a 10% increase

Type of Income		Total Projected Income
Assessment Income	\$	328,680.00
Additional Incomes	\$	6,000.00
Assessments to Reserves	\$	(69,024.00)
Total Income	\$	265,656.00

Expenses



2025 Operating Expenses

Notable Changes from 2024:

- Ponds/Rain Gardens in Eastwood Section
- Capital Expenses :
 - BMP Areas 5, 6, 7
 - Storage Shed for Social Committee, Holiday Decorations, etc.
 - Electrical and lighting additions to exterior of clubhouse, to mailbox areas on Vermillion Xing and on Monocacy Park
 - Tree Replacement for HOA properties at Clubhouse, Parks, Huntersville-Concord Rd
 - Upgrade to Monocacy Park lawn, shrubs
- Fiduciary Responsibility to keep sufficient funds to cover major repairs (pond repairs, building or pool fixes, landscaping replacements or upgrades, etc.)

Budget Ratification

NC Planned Community Act

NCGS 47C/F-3-103(c)

“The budget is ratified unless at that meeting a ***majority of all the lot owners in the association or any larger vote specified in the declaration rejects the budget.*** In the event the proposed budget is rejected, the periodic budget last ratified by the lot owners shall be continued until such time as the lot owners ratify a subsequent budget proposed by the executive board.”



Payments for Assessments



AutoPay

Sign up for automatic payments drafted from bank account

- Drafted on 3rd of month Assessment is due
- No processing fees



Pay by Check

Send Check or Money order to: PO Box 998 Commerce, GA 30529

Make check payable to the Association

Include Account Number or Property Address



Pay Online

Register your account on the Community WebPortal to see your account information and make online payments

- E-Check - \$1.99 processing fee
- Credit Card - 3.25% processing fee

Closing Remarks and Adjournment

How to Contact the HOA:

Phone: 888-600-5044

Email: support@kuester.com

Website: www.Kuester.com

KUESTER
MANAGEMENT
GROUP





Homeowner Forum

If you have submitted a question prior to the meeting, it will be answered during the pre-submitted questions are answered. If it is personal in nature, it will be redirected to be answered following the meeting via email communication.

If you have a question, please raise your hand!

Pre-Submitted Questions - 1

PLEASE NOTE THAT ANY PERSONAL SITUATIONS THAT WERE SUBMITTED WILL NOT BE ADDRESSED IN THIS FORUM - We will reach out to those who submitted a personal matter in the coming week.

- *The retention ponds are not built to the town of Huntersville codes. That should be on the developer's dime and not the association. Why are we paying to bring up something to code that wasn't done right in the first place? That is completely the developer's responsibility.*

The BMP areas were built to plans approved by the Town and/or the County. The areas were built over a period of time from 2008 through today (four BMP areas are still under construction). Until approximately 2019 there was little to no maintenance done on these areas other than mowing. There were no engineering inspections done on the areas to certify them for Town approval until 2022. The current Board of Advisors hired an engineer to begin the certification process in anticipation of the Developer turning the community over to the homeowners. Based on the engineer's inspection reports, we have been doing repair work on 6 of the areas. Based on the engineer's reports for these 6 areas, most of the work is clearly due to erosion and lack of maintenance. The Board also hired DragonFly, a licensed pond management company, to start maintaining the areas according to applicable standards. DragonFly and several additional contractors have been doing the repair work. Four areas built approximately 2017-2018 still need significant work to bring them back up to code. The Board has \$40,000 in the 2025 budget to do the work on 2 of those areas. We are still in discussion with the Developer on the costs for the other 2 areas.

- *What are the rules on running a business out of your home in Mirabella? We see an abundance of cars due to a business out of a garage.*

The Amended and Restated Declaration of Covenants, Restrictions and Easements for Mirabella, Article VII, Section 1, sets the Restrictions applicable to business from the residence: "(b the owner of any Improved Lot from using a portion of a building located on such Improved Lot as an office, provided that such use does not create regular customer, client or employee traffic to and from such Improved Lot and no sign, logo, symbol or nameplate identifying such business is displayed anywhere on such Improved Lot. Section 2 of the same Article lists Prohibited Activities. "No noxious, offensive, unsightly or unkempt activity shall be conducted on any Lot. Each owner of any Lot, his family, tenants, guest and invitees, shall refrain from any act or use of his property which could reasonably cause embarrassment, discomfort, annoyance or nuisance to any other resident or residents of any other Lot. Storage or placement of furniture, fixtures, appliances, machinery, bicycles, towels, equipment or other goods or chattels not in active use on any Lot which is visible from outside the Lot is prohibited except as specifically permitted in this Declaration."

Pre-Submitted Questions - 2

- *What is plan to landscape the new parts of community at the end of Monocacy Blvd? What is the plan to improve the landscaping at the cul de sac at the end of Monocacy Blvd?*

The new parts of the community have been landscaped to the extent planned by the Developer and the builder. The 2025 Budget includes approximately \$3000 to enhance the Urban Open Space at the end of Monocacy Blvd. This will likely include upgrading the grass in the area, adding some additional shrubbery, and possibly another tree or two. If you look at the Urban Open Space on Hunt Valley/Lawther/ Providence Hall, you will see a comparable level of finish. The areas on Vermillion Crossing and Venezia Ln were completed by a different developer.

- *When are the dry ponds going to be complete in the new parts of the neighborhood?*

The four additional BMP areas in the Eastwood section are long overdue. Delays have been driven by geological structures that were uncovered during construction. These issues have required numerous redesigns of the areas and multiple submissions to the Town for approvals.

- *Could you please explain and break down the numbers to help me understand how we have a large number of new homes built in Mirabella and they are contributing dues to the HOA, why is that not preventing the need for HOA dues to go up?*

The budget is built based on anticipated costs to the community. These costs include ensuring there are adequate reserves to cover future major expenses. All costs have been increasing: landscaping, pool contract, chemicals, water, electricity, etc. In addition, we are now experiencing maintenance costs on fixtures, buildings and grounds that are 5, 10, 15 years old. We need to replace almost 20 trees on HOA grounds next Spring, we have sections of the fence around BMP areas that need replacing, and we have additional electrical and lighting work at the mailbox clusters and around the pool and playground. This past year we resurfaced the parking lot and did significant work on the BMP areas. Also, we are still building out some infrastructure to meet the demands of a 249 home community. For example, to store the items the social committee uses at almost every event we need more than a handful of shelves in a closet that is not temperature controlled and is also used to store the chemicals for the pool. Capital improvements come out of our reserve accounts. These need to be replenished to ensure we have funds for the future so assessments can be stabilized or at least held close to inflation rates.

Pre-Submitted Questions - 3

- *Could the HOA please consider adding a light near mailbox cabinet at end of vermillion crossing ct. Requesting to add level of safety and accessibility. Thank you for your consideration.*

We have funds in the 2025 budget to add solar street lighting at the mailbox clusters on Vermillion Crossing and Monocacy Blvd.

- *Now that the retention pond work is underway right beside the bridge on Monocacy, what is the timeline for connecting the sidewalk across the bridge? This is a safety concern as cars fly around the blind curve when pedestrians especially children are walking down the street without a sidewalk*

The Developer will be completing the sidewalks by the bridge as soon as the work is completed on the BMP areas.

- *All common areas are maintained except the new Eastwood addition. We moved in January 2023. We paid initial dues and monthly dues. Now we are raising the dues? We were notified of our trash cans not being contained but we have unsightly common areas and a sidewalk curb is not finished, there is no pet waste dispenser and we have pet waste left in yards. What are the completion dates for all projects? It has taken over a year to complete the retention area behind our home and it is still ongoing. Trees are still left unmaintained, cars parked in streets, some houses in older area have over grown bushes and yards. But yet front entrance and pool area are all we see maintained.*

As soon as the work is completed by the Developer and the construction crews on the BMP areas, the HOA will begin maintaining those areas. DragonFly Pond Management is prepared to do this work beginning early in 2025. The Board of Advisors has built monies into the 2025 budget to enhance the Urban Open Space at Monocacy Blvd. We are already mowing the areas by the bridge even though the infrastructure there is still in progress. We will be putting dog litter stations near the bridge and at Monocacy Park.

Pre-Submitted Questions - 4

- *Is the developer going to make the repairs to the concrete gutter that was installed poorly when they did the repairs last winter and ruined our yards?*

If there is a specific issue with a curb or sidewalk that you feel needs correction, please file a work order on the Kuester website. Kuester can then direct that to the Land Manager who works with the Developer's contractors on those matters.

- *Will the developer consider allowing google fiber to install in the new phase?*

The Developer has already considered the Google Fiber matter and will NOT permit it to be done.

- *Why is our HOA fee going UP again- we have more homes paying inn now, shouldn't our rates be going down?!*

We build the budget each year based on the anticipated expenses and needs of the community. Everything in the cost structure has been increasing including landscaping costs, chemicals for weed control, pool maintenance, wet pond algae control, water, electricity, insurance, taxes, and so on. We have also been adding additional infrastructure to support a 249 home community. Five years ago we were complaining about the pool being too small and we only had 180 homes at the time. We built a bigger playground. We are adding a storage structure to handle the items the social committee needs for each of their events. Also, we have an obligation, called a fiduciary responsibility, to ensure there are funds available to handle major expenses the community will incur in the future. Given parts of the community are already 15 years old, we are encountering some of those issues. We needed to seal the parking lot this year. We have approximately 20 dead or diseased trees that need to be removed and replaced this coming Spring. We have multiple sections of the BMP area fences that need to be replaced. And we have major BMP area maintenance repairs to be done. Please remember, the Board of Advisors are homeowners too. The HOA assessment increases apply to us too.

Pre-Submitted Questions - 5

- There are absolutely no details provided for each of the line items in the budget. There are simply 3-4 words but no description of the work to be done and why it needs to be done. After multiple attempts through the neighborhood Facebook page to get such details, none were provided. How are we expected to approve a budget without explanation for various large increases?
- **The Facebook page is not an official communication channel for the community. Members of the Board of Advisors will respond on that page when they can and/or choose to do so. For Annual Budget purposes we provide this channel for the submission of all questions you may have.**
- Specifically, "Signage" (\$800 increased to \$3k but no explanation for what new signage will be installed), "Maintenance - General" (nearly doubles from \$1,400 to \$2,796 but no explanation for what this includes and why it is doubling), "Pool Contract" (\$14,400 to \$19,434 but no explanation for what is changing from the existing contract to justify an almost 35% increase), "Pool - Repair & Maint" (\$0 to \$1,600 but no explanation whatsoever), "Clubhouse - Repair & Maint./Trashcans" (doubling from \$2,500 to \$4,950 but no explanation for why this is increasing).
- **When we build the next year budget we not only look at current year budget but also current year expenditures and at irregular items that we may know or believe will occur. For Signage, we have forecasted adding warning signs around the wet pond, rain gardens, and other key areas in hopes of cutting down on people throwing doggie bags, bottles, cans and other trash into these areas. We also need to assess the front entrance signage though right now we hope we can just clean it and put off major remodeling of the entrance area. For General Maintenance we have budgeted for power washing of the entire clubhouse and pool area, the sidewalks from mailbox to playground, and cleaning of the sidewalks at the front entrance. For Clubhouse - Repair & Maintenance, in 2024 we did not include trash can cleaning in the budget, but we spent money on it. Also, we are increasing the regular cleaning work in the clubhouse to include windows, dusting of all furniture, etc. The Pool Contract was under-budgeted for 2024. In addition, there are various components of the pump system that require maintenance and/or repair.**

Pre-Submitted Questions - 6

- Also, some of the largest new expenses are "Landscape Improvement Trees and Monocacy" for \$22,600 and "Clubhouse Partial Reno - Storage Shed" for \$27,000. The first issue with these are the fact that there are no explanations for what these are (for the Improvement Trees and Monocacy) and no why there is need for a Reno - Storage Shed.
- **We need to replace no less than 20 trees at a cost of approximately \$800 each. 13 of these are in the privacy buffer along Huntersville-Concord Rd to replace dead/diseased trees that are scheduled to be removed shortly. The additional trees are maples around the parking lot and in several of the urban open spaces (parks). The storage shed is an item that has been discussed for several years but we finally decided to install it in 2025. We currently have community/social committee items stored in the same closet as the pool chemicals, in the clubhouse kitchen cabinets, and in the outdoor closet off the pool. We shuffle these items around for each event and each time the pool company needs to do something.**
- Additionally, why are such large expenses needed to be assessed and paid for all at the same time rather than budgeted for ahead of time (2-3 years down the road) and paid out of any reserves? Without any further explanation, these don't seem to be emergency expenses that would need to be handled and paid for immediately within substantial overall HOA fee increases.
- **We do try to plan ahead and level out some of the expenses. We deferred putting in the storage shed, we put off the sealing of the parking lot for 3 years, we've split up the BMP repairs over several years, and we push out various items if we think feasible. We are paying for the major items, such as the shed, the pond repairs, and the trees out of Reserve accounts. But we need to maintain the Reserves so whatever we take out needs to be replaced and we need to keep growing the Reserves to cover even larger potential expenses, e.g., if the pool fails and needs to be rebuilt or if we need to rebuild the wet pond or one of the rain gardens.**

Pre-Submitted Questions - 7

- From several Facebook posts, it appears there are severe issues with Rain Garden Maintenance. If the Rain Gardens were never developed up to Huntersville code by the developers before passing off to the Homeowners, that cost to get the Rain Gardens up to code should fall on the developer. That is completely separate and apart from any Rain Gardens that were developed up to code by the developer and handed off to the Homeowners which now need repair - that costs justifiably should be on the Homeowners. My main concern is why are the Homeowners left holding the bag for expenses to get the Rain Gardens up to code which were NEVER developed up to code by the developer in the first place
- **The BMP areas, whether rain gardens, sand filters or wet ponds, were built according to plans approved by the Town and/or County. Some of these areas are now over 15 years old. There never was an engineering inspection of the work until the current Board of Advisors ordered it in 2022. And there was little to no maintenance done on them until this Board hired DragonFly in 2019. The engineers' reports are now being filed with the Town. However, most of the areas still have not passed inspection. We expect Rain Garden 1, the Wet Pond, and Filter areas 1-4 to be passed in the next couple of months. These are the oldest sections. The other areas still require work, part of which is budgeted in 2025. We are still in discussions with the Developer on the remaining Rain Garden areas. We will also be ordering an engineering inspection of the four new areas as soon as they are completed and then require the Developer to bring them up to specifications.**