# SGHOA Frequently Asked Questions (FAQs): Why do we

#### need an HOA?

As a result of the way in which our community was zoned, common property (primarily the storm water management pond) was passed to the HOA which is a separate incorporated entity. The HOA was intended to be operated and managed by the 20 homeowners that make up the Spring Glen neighborhood.

# Do I have to be a part of the Homeowners Association?

If you are receiving this letter, the short answer is 'Yes'. When we closed on the purchase of our homes, we signed a 'planned unit development rider' which is an attachment to the ownership document for your property. By virtue of owning your property, this rider attached to your property is the legal document that makes you a member of the Homeowners Association.

#### How much are assessments?

Currently, the assessment is \$714 per year. However, if the board cannot secure enough volunteers to operate in a functional manner and allow for succession planning of current members then the board will need to hire a management company to assist in operating the affairs of the HOA. The board estimates that this will increase yearly assessments by \$200-300 per home per year to a total of approximately \$900 per home per year. The current board would sincerely like to avoid this option if at all possible.

#### Where do the assessments go?

Assessments go to pay for Landscaping (cutting the grass around the SWM and other common property), Insurance, Tax Services, Landscaping, Towing Services, Legal fees (inclusive of collections on delinquent assessments). It is the goal of the Board to make the maximum possible reserve contribution per year in order to cover the cost for repairs or eventual replacement of the Storm Water Management Pond in the future.

### What is the current financial position of the HOA?

Pro Forma financials with approximate balances and values as of the date of this letter are provided below. Full financials will be prepared at the end of the year and communicated to all homeowners.

Estimated 2025 Member Assessments:	\$ 14, 280
Estimated 2024 Expenses:	\$ 8,500
Landscaping:	\$ 3,100

Annual Budgets with Assessment Coupons are mailed out prior to the First Quarter each year. If you do not receive them please check the website at <a href="https://www.springglenhoa.com">www.springglenhoa.com</a> under FAQ's to ensure timely payment.

#### Can we reduce assessments?

Possibly in the future. The HOA's current reserve position is not adequate, so any reduction in operating expenses in our current budget would need to be contributed to increasing the reserve. However, if we have a board that can perform more functions internally, we can save money and potentially reduce assessments in the future.

# Is there a way to disband the HOA?

Not at this time. There are significant legal and financial challenges as well as expenses necessary to pursue disbanding the HOA, in addition to approval by the county. Given that there are only three board members, the board has been unable to pursue this further. Strictly voluntary with the support of a Resident Agent (Attorney).

Why doesn't the HOA pay to plow our roads or driveways when it snows?

The roads of our community that are county streets are plowed by Howard County. The HOA does not have the legal authority or financial resources to contract for the clearing of private homeowner driveways or right of ways that are not cleared by the county. Beyond Ivy Spring is a flag lot, which is not county authority.

What can I do to help ensure the HOA operates as effectively and efficiently as possible?

Consider volunteering to join the board to help limit operational expenditures. Additionally, paying your dues in a timely manner contributes tremendously to the efficiency with which our Board is operated. Also, helping the board to communicate so that all homeowners are aware of the status of our HOA is important – at the end of the day, we all collectively own and are responsible for the HOA.

## What happens if a homeowner **does not pay** their assessments?

The board endeavors to first send a friendly reminder. If assessments continue to go unpaid, then late fees are assessed. If the board has to send the account to legal collection – the homeowner will be responsible for paying the cost of attorney's fees. In the worst-case scenario, a lien may be placed on your property.

The board seeks to avoid legal intervention in the collection of assessments, but the board also has a fiduciary responsibility to ensure the HOA maintains sound financial standing. Unfortunately, legal intervention has been required in the past, which is regrettable. If the board is unable to collect the annual assessments necessary to operate the affairs of the HOA and provide an appropriate reserve contribution, a trustee for the state could step in and significantly increase the cost for all homeowners as well as utilize state legal resources to compel payment.

To avoid this very unfavorable scenario, the board appreciates the timely payment of assessments. If you have a financial hardship, please contact the board as soon as possible to discuss options.

Md. Code, Real. Prop. § 11B-117. Section 11B-117 - Liability for homeowners association assessments and charges on lots https://casetext.com/statute/code-of-maryland/article-real-property/title-11b-maryland-homeowners-association-act/section-11b-117-liability-for-homeowners-association-assessments-and-charges-on-lots

#### Are there parking restrictions? Yes

There is "NO PARKING" on the service road located next to the mailbox adjacent to the corner of Ivy Spring and Cross Ivy. Also, on Recycle Day (Tuesday) and Trash Day (Friday) there is "NO PARKING" on the corner of Cross Ivy and Ivy Spring to allow passage of county trucks. Your car is subject to towing at your expense. Please advise your guests!!