

The Downs of Hillcrest NEWSLETTER

NOVEMBER 2024

FINANCIAL REPORT

October Year-to-Date

- The Downs of Hillcrest HOA remains in a strong financial position. Through the end of October, consolidated net income was \$9.5K, which is \$15K favorable to budget.
- Legal expenses, which historically have averaged about \$5K to \$6K per year, are \$55.9K year-to-date through October, with all but \$3.5K of that related to the One Coventry matter. From 2021 through October 2024, HOA net legal expenses for the One Coventry matter were \$270.3K. The HOA has recouped legal fees associated with this matter in the past and expects to recoup a portion of them in the future.
- Pump maintenance expense is high again this year. October YTD expenses were \$80.2K, \$18.5K over budget. Four large pumps needed to be replaced this year, at an average cost, for pump and labor, of \$11.7K.
- On the positive side, this year the HOA is benefiting from more temperate weather. Through Oct, water and electricity costs are \$31K lower than they were at this time last year. Because of this, the HOA is \$37.5K favorable to budget in this account.
- Common Area maintenance is favorable \$27.8K to budget through October, primarily because the HOA hasn't needed to do sidewalk maintenance this year.
- One thing to note, in November the HOA began a large maintenance project to rebuild the eroded banks and artificial rocks along our waterways. The project, which has been dubbed the "Rock Project" will probably span three years and cost over \$170K, some funded from operations and some funded from the reserve account.
- As planned, year-to-date the HOA has contributed \$28.3K to the reserve account.
- Cash balances at the end of October were: Operating Account: \$97.9K; Reserve Account \$442.8K, for a total of \$740.7K.

2025 Budget Approved

The board approved the 2025 budget and assessment level at the November meeting. Key points are:

- The semi-annual assessment has not been increased since January 2023. Inflationary pressures since then, coupled with the legal expense burden, and

importantly, the need to address aging infrastructure issues, have necessitated an assessment increase of 10%, effective January 1, 2025.

- The budget is set at a breakeven, with total spending of \$925K and a \$36K contribution to the reserve account.
- Spending on landscape and infrastructure are both set higher than the last 3-year average, as the HOA works to address needs in those areas, including the “Rock Project” discussed above.
- The budget does not include any revenue from the pending Working Capital Transfer Fee amendment. Should it pass, there will be a significant plus to the 2025 budget and years beyond. Right now, the Downs has just one revenue stream – the assessments that all residents pay. If the proposed Transfer Fee amendment is approved, it will provide an ongoing second revenue stream. Based on the historical level of home sales in the Downs, that amount would be equal to 4.6% of the total annual budget, which would be \$44K in 2025. And that 4.6% contribution level would continue year-by-year in the future. This is something to consider if you haven’t voted on the amendment yet, or you’ve voted, and you wish to change your vote.

BYLAW PROPOSAL VOTES DUE DECEMBER 3

Property owners in The Downs of Hillcrest have received amended language for a proposed Bylaw amendment (Working Capital Transfer Fee) with votes due by December 3.

Without recapping the clear memo sent recently from Judd Austin describing amended language to clarify the Downs Board’s intent, this is just a reminder to cast your ballot if you have not yet done so.

If you cannot find your ballot, contact either Eusty Hermida or Angie Beene at SBB Management : e.hermida@sbbmanagement.com, or a.beene@sbbmanagement.com

Questions about the proposal? Contact a Downs Board member: Tom Schober, Melissa Mitchell, Larry James, Kent Hofmeister, Charlie Miller.

ENFORCEMENT POLICY REVIEW

Angie Beene reported that state law requires a review of HOA enforcement policies, to ensure they meet state requirements. That review has been done and the board has approved minor amendments. Once officially posted with the county, they will be also posted on both Downs websites.

ELECTION SIGNS GO “POOF!”

It's a City of Dallas regulation that once an election is over, we all have 10 days to remove our yard signs. Toss them or save them, whatever you like. But let's all go back to just being neighbors and let some peace settle in. City of Dallas will accept them for recycling at the

Northeast Transfer Station

(Fair Oaks) 7677 Fair Oaks Avenue

(214) 670-6126

Hours of Operation

Monday - Friday, 7 a.m. - 9 a.m. Saturday - 7 a.m. - 4 p.m. Sunday, CLOSED

VETERANS DAY FLAGS

Caring for the hundreds of American flags (cleaning, repairing, replacing) recently planted along Downs streets is a project of a number of residents, led by Bill Perry, and including Richard Verret, Curt Welwood, Larry James and Whitt James. Others who often participate are Michael Harrison, Dolores Hardin, and Tom Schober. Once Veterans Day is over, the same group picks the flags up and stores them until the next holiday.

LANDSCAPE “RENOVATIONS”

Can you renovate a landscape? Whatever you call it, after time and storms work their damage on natural landscapes, the time comes to improve what's left behind and rebuild eroded banks.

Melissa Mitchell reported that at The Downs northwest corner, where Milford ends and there's a small pond, storm water flows have carved earth and relocated or broken stones. In early November, a long planned, and expensive renovation of the area has begun. The cost will be spread out over three budget years.

A tributary of White Rock Creek actually flows west to east at this spot. Storms sometimes deliver sections of decking or strangers' trash cans to our pond, along with rocky mud and tree debris. And high water levels carve out the best made landscaping plans.

HOLIDAY PREPARATIONS

Before November's done, The Downs will be dressed up for the holiday season. As Daylight Savings is gone, and as daylight hours get shorter, we'll all welcome everyone's tree lights and decorations. Bring it on!

Be sure not to miss the First Annual Downs Turkey Trot, gathering at 9am on turkey day. Your invitation came to your email recently via Punchbowl, and that's where you find details and an easy rsvp. So dust off your trainers and join the crowd.

Punchbowl has sent to all emails a "save the date" for the annual holiday dinner extravaganza. It will take place December 15, beginning at 5 pm with an all-together reception at the Thomas home, then more intimate seated dinners at a number of Downs residences. Vegetarian options are always available on the menu.

DOWNS GATE ATTENDANTS

We have asked SBB Management to get for us the names of gate attendants who work for all of us, at all hours of the day and night, so residents can recognize their work and thank them, as many do, each year end. When that information is available, we'll send out a blast by email to all.

FRONT GATE UPDATING

Charlie Miller reported on progress made at finishing the first phase of updating and upgrading the front gate. In the first major update since the gate house was built, we've changed the roofline to protect attendants from rain as they speak to drivers, replaced the old roof, fixed up things inside and painted. After years of changes in technology for toll tag reading, cameras, WIFI, cell and wiring, many of the unsightly poles are gone, and we can see our way clear to designing a large "The Downs of Hillcrest" sign for the center garden on the street side.

Further, there's a plan to hide the utility yard behind the Gate House, and to finish landscaping in that center area. All of this has been done without having to assess residents for additional funds, and during an inflationary time. Finally, as we have not replaced the street-side light pole that got knocked down, lights were placed in the tree in front of the gatehouse to get light around the gatehouse. Once the sign design is finalized, final decisions will be made regarding any additional lighting.

This newsletter is published following each Downs of Hillcrest board meeting. Past newsletters re available at www.downsofhillcrest.com, along with a neighborhood calendar of planned events coming up, news stories, and general information about The Downs of Hillcrest, including a directory of residents. A second website is operated by community managers at SBB Community Management. (owner@sbbmanagement.com) Its

primary focus is the business relationship between the HOA and residents. Both websites include a full set of CC&R's for the neighborhood. Both websites require registration to assure users are residents. For assistance registering with either one, contact Eusty Hermida at e.hermida@sbbmanagement.com, or a.beene@sbbmanagement.com.