
Sachem's Head Homeowners' Association

P.O. Box 5628
Midlothian, VA 23112

June 4, 2022

Dear Member,

I hope this letter finds you in good health and that you have been out enjoying the great weather!

Enclosed is a copy of the December 2021 year-end financial report. I ask that you pay specific attention to the "Statement of Income & Expense - Tax Basis" page of the report. This page of the report shows that the HOA expenses for 2021, which totaled \$49,943.56, were greater than the total income for 2021, which totaled \$37,302.56. Two specific expenses, namely Maint/Repairs to Common Area and Tree Removal, exceeded the budgeted amounts for these expenses by \$22,700. The increased spend in these two areas is almost entirely related to the lake dredging operation that occurred last year.

The "Balance Sheet - Tax Basis" page of the December 2021 year-end financial report shows the ending balances in the two HOA accounts. The HOA operating account (3000 - Fund Balance) has an ending balance of \$65,648.35; The Reserve Lucks Lane Improvement account has an ending balance of \$37,009.47. These are the starting balances for tax-year 2022; I have enclosed a copy of the 2022 HOA operating budget for your records.

Also enclosed with this letter is a copy of an independent accountant's report for an audit that was conducted by WellsColeman. The audit focused on transactions posted to the HOA operating and Reserve Lucks Lane Improvement accounts, and that occurred during the period of July 1, 2020 to September 30, 2021. The audit report shows there were no material findings.

You were recently notified of the forthcoming Annual Meeting of Members that is scheduled for **Tuesday, June 28, 2022**. This year's meeting will take place outdoors, here in our wonderful neighborhood! The HOA has made arrangements for a shelter tent to be erected lakeside. The meeting announcement package included a map showing the exact location of the meeting. I do hope that this refreshing change of venue will encourage you to attend; please mark your calendars and bring a chair!

One important piece of business that must be addressed during our June meeting is the election of a board of directors. Without proper leadership, the association will fall into receivership and will eventually dissolve. It is imperative that we identify candidates that desire a position on the board and then cast a vote to elect them to serve. Please let it be known that you are willing and

able to serve as Director by completing and returning the enclosed “NOTICE OF INTENT TO BE A CANDIDATE FOR THE BOARD OF DIRECTORS OF SACHEM’S HEAD HOMEOWNERS’ ASSOCIATION, INC.” and “CANDIDATE INFORMATION STATEMENT” forms. Completed forms should be addressed to “President of Sachems Head HOA” and mailed to the association address shown at the top of this letter. **The deadline for receiving the completed forms is June 25, 2022.**

I realize you may have questions as to the duties and expectations of serving as a director of the association, or questions concerning the nomination and voting process itself. For that reason I have scheduled an online **Zoom meeting for June 21, 2022, to field such questions. The meeting will be held between 6:00P to 7:00P** and may be accessed using the following link address and passcode:

Sachem's Head HOA Pre-Annual Information Meeting

<https://us02web.zoom.us/j/3013089036>

Meeting ID: 301 308 9036

Passcode: 68473220

I have enjoyed serving our community in various capacities since 2016. It is now time for others to assume this important work. Which is to say, I will not be seeking reelection this year. I will, however, ensure a smooth transition to the newly elected board members. Please consider volunteering and returning the required forms by the stated deadline. I am looking forward to seeing you at our annual meeting.

Best Regards,



Karl Grimsley

Director/President Sachem;s Head HOA

Sachem's Head Homeowner's Association
Balance Sheet - Tax Basis
As of December 31, 2021

	<u>Dec 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
1015 · Suntrust-Checking	46,061.70
1016 · Suntrust-Money Market	<u>37,640.90</u>
Total Checking/Savings	83,702.60
Accounts Receivable	
1100 · Assessment Receivable	<u>3,753.22</u>
Total Accounts Receivable	3,753.22
Other Current Assets	
13000 · Prepaid Income Taxes	<u>2,561.00</u>
Total Other Current Assets	2,561.00
Total Current Assets	<u>90,016.82</u>
TOTAL ASSETS	<u><u>90,016.82</u></u>
LIABILITIES & EQUITY	
Equity	
2010 · Reserve Lucks Lane Improv.	37,009.47
3000 · Fund Balance	65,648.35
Net Income	<u>-12,641.00</u>
Total Equity	<u>90,016.82</u>
TOTAL LIABILITIES & EQUITY	<u><u>90,016.82</u></u>

No assurance is provided on these financial statements

**Sachem's Head Homeowner's Association
State of Inc & Expense Budget vs. Actual**

	Jan - Mar 21	Budget	\$ Over Budget	Apr - Jun 21	Budget
Ordinary Income/Expense					
Income					
4000 · Assessments Earned	6,720.00	6,720.00	0.00	6,720.00	6,720.00
4005 · HOA Packet Fee	0.00			150.00	
4010 · Late Fees Earned	180.00			150.00	
4060 · Verizon Lease/Rent	2,649.78	2,499.94	149.84	2,649.78	2,500.02
6010 · Interest Income	3.53			3.94	
Total Income	9,553.31	9,219.94	333.37	9,673.72	9,220.02
Expense					
Repairs and Maintenance					
5706 · Maint/Repairs Common Area	125.00	1,072.50	-947.50	4,184.00	1,072.50
5709 · Maint/New Plantings	189.48			0.00	
5710 · Lawn Care/Mowing	3,129.00	3,129.94	-0.94	3,129.00	3,130.02
5715 · Tree Removal	0.00	750.00	-750.00	10,350.00	750.00
5820 · Ground Maintenance Reimbursed	0.00			-417.13	
Total Repairs and Maintenance	3,443.48	4,952.44	-1,508.96	17,245.87	4,952.52
5000 · Accounting	2,050.00	1,624.97	425.03	1,500.00	1,625.01
5100 · Insurance Expense	0.00	0.00	0.00	0.00	0.00
5600 · Legal	0.00	1,249.97	-1,249.97	0.00	1,250.01
5750 · Website	0.00	75.00	-75.00	0.00	125.00
5760 · Printing	0.00	0.00	0.00	409.48	50.00
5765 · Annual Meeting/Expenses	0.00			157.40	
5830 · Postage and Delivery	54.56	90.00	-35.44	210.34	90.00
5831 · Supplies	5.70			75.72	
5832 · Office Expense	227.55	75.00	152.55	45.57	75.00
5900 · License/Reports	0.00			0.00	
5910 · Income Taxes	970.92	665.00	305.92	-970.92	665.00
Total Expense	6,752.21	8,732.38	-1,980.17	18,673.46	8,832.54
Net Ordinary Income	2,801.10	487.56	2,313.54	-8,999.74	387.48
Net Income	2,801.10	487.56	2,313.54	-8,999.74	387.48

**Sachem's Head Homeowner's Association
State of Inc & Expense Budget vs. Actual**

	<u>\$ Over Budget</u>	<u>Jul - Sep 21</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Oct - Dec 21</u>
Ordinary Income/Expense					
Income					
4000 - Assessments Earned	0.00	6,720.00	6,720.00	0.00	6,720.00
4005 - HOA Packet Fee		0.00			0.00
4010 - Late Fees Earned		90.00			90.00
4060 - Verizon Lease/Rent	149.76	2,649.78	2,500.02	149.76	1,801.86
6010 - Interest Income		2.45			1.44
Total Income	453.70	9,462.23	9,220.02	242.21	8,613.30
Expense					
Repairs and Maintenance					
5706 - Maint/Repairs Common Area	3,111.50	6,204.98	1,072.50	5,132.48	1,083.00
5709 - Maint/New Plantings		221.88			0.00
5710 - Lawn Care/Mowing	-1.02	2,469.59	3,130.02	-660.43	1,043.00
5715 - Tree Removal	9,600.00	8,043.00	750.00	7,293.00	0.00
5820 - Ground Maintenance Reimbursed		0.00			0.00
Total Repairs and Maintenance	12,293.35	16,939.45	4,952.52	11,986.93	2,126.00
5000 - Accounting	-125.01	2,168.40	1,625.01	543.39	1,091.81
5100 - Insurance Expense	0.00	0.00	0.00	0.00	1,565.00
5600 - Legal	-1,250.01	0.00	1,250.01	-1,250.01	0.00
5750 - Website	-125.00	244.54	75.00	169.54	0.00
5760 - Printing	359.48	53.08	0.00	53.08	0.00
5765 - Annual Meeting/Expenses		0.00			0.00
5830 - Postage and Delivery	120.34	115.83	90.00	25.83	115.30
5831 - Supplies		36.00			0.00
5832 - Office Expense	-29.43	0.00	75.00	-75.00	27.48
5900 - License/Reports		0.00			35.00
5910 - Income Taxes	-1,635.92	0.00	665.00	-665.00	0.00
Total Expense	9,840.92	19,557.30	8,732.54	10,824.76	4,960.59
Net Ordinary Income	-9,387.22	-10,095.07	487.48	-10,582.55	3,652.71
Net Income	-9,387.22	-10,095.07	487.48	-10,582.55	3,652.71

No assurance is provided on these financial statements

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**Sachem's Head Homeowner's Association
State of Inc & Expense Budget vs. Actual**

	TOTAL				
	Budget	\$ Over Budget	Jan - Dec 21	Budget	\$ Over Budget
Ordinary Income/Expense					
Income					
4000 · Assessments Earned	6,720.00	0.00	26,880.00	26,880.00	0.00
4005 · HOA Packet Fee			150.00		
4010 · Late Fees Earned			510.00		
4060 · Verizon Lease/Rent	2,500.02	-698.16	9,751.20	10,000.00	-248.80
6010 · Interest Income			11.36		
Total Income	9,220.02	-606.72	37,302.56	36,880.00	422.56
Expense					
Repairs and Maintenance					
5706 · Maint/Repairs Common Area	1,072.50	10.50	11,596.98	4,290.00	7,306.98
5709 · Maint/New Plantings			411.36		
5710 · Lawn Care/Mowing	3,130.02	-2,087.02	9,770.59	12,520.00	-2,749.41
5715 · Tree Removal	750.00	-750.00	18,393.00	3,000.00	15,393.00
5820 · Ground Maintenance Reimbursed			-417.13		
Total Repairs and Maintenance	4,952.52	-2,826.52	39,754.80	19,810.00	19,944.80
5000 · Accounting	1,625.01	-533.20	6,810.21	6,500.00	310.21
5100 · Insurance Expense	1,500.00	65.00	1,565.00	1,500.00	65.00
5600 · Legal	1,250.01	-1,250.01	0.00	5,000.00	-5,000.00
5750 · Website	75.00	-75.00	244.54	350.00	-105.46
5760 · Printing	50.00	-50.00	462.56	100.00	362.56
5765 · Annual Meeting/Expenses			157.40		
5830 · Postage and Delivery	90.00	25.30	496.03	360.00	136.03
5831 · Supplies			117.42		
5832 · Office Expense	75.00	-47.52	300.60	300.00	0.60
5900 · License/Reports			35.00		
5910 · Income Taxes	665.00	-665.00	0.00	2,660.00	-2,660.00
Total Expense	10,282.54	-5,321.95	49,943.56	36,580.00	13,363.56
Net Ordinary Income	-1,062.52	4,715.23	-12,641.00	300.00	-12,941.00
Net Income	-1,062.52	4,715.23	-12,641.00	300.00	-12,941.00

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Sachem's Head Homeowner's Association
Statement of Income & Expense - Tax Basis
For the Period Ending

	Oct - Dec 21	Jan - Dec 21	% of Income
Ordinary Income/Expense			
Income			
4000 · Assessments Earned	6,720.00	26,880.00	78.0%
4005 · HOA Packet Fee	0.00	150.00	0.0%
4010 · Late Fees Earned	90.00	510.00	1.0%
4060 · Verizon Lease/Rent	1,801.88	9,751.20	20.9%
6010 · Interest Income	1.44	11.36	0.0%
Total Income	8,613.30	37,302.56	100.0%
Expense			
Repairs and Maintenance			
5706 · Maint/Repairs Common Area	1,083.00	11,596.98	12.6%
5709 · Maint/New Plantings	0.00	411.36	0.0%
5710 · Lawn Care/Mowing	1,043.00	8,770.59	12.1%
5715 · Tree Removal	0.00	18,393.00	0.0%
5820 · Ground Maintenance Reimbursed	0.00	-417.13	0.0%
Total Repairs and Maintenance	2,126.00	39,754.80	24.7%
5000 · Accounting	1,091.81	6,810.21	12.7%
5100 · Insurance Expense	1,565.00	1,565.00	18.2%
5750 · Website	0.00	244.54	0.0%
5760 · Printing	0.00	462.56	0.0%
5765 · Annual Meeting/Expenses	0.00	157.40	0.0%
5830 · Postage and Delivery	115.30	496.03	1.3%
5831 · Supplies	0.00	117.42	0.0%
5832 · Office Expense	27.48	300.60	0.3%
5900 · License/Reports	35.00	35.00	0.4%
5910 · Income Taxes	0.00	0.00	0.0%
Total Expense	4,960.59	49,943.56	57.6%
Net Ordinary Income	3,652.71	-12,641.00	42.4%
Net Income	3,652.71	-12,641.00	42.4%

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Sachem's Head Homeowner's Association		
2022 Operating Budget		
Income:		
4000 - Assessments Earned	\$26,880.00	
4005 - HOA Packet Fee	\$0.00	
4010 - Late Fees Earned	\$0.00	
4060 - Verizon Lease/Rent	\$9,800.00	
6010 - Interest Income	\$0.00	
Total Income	\$36,680.00	
Expenses:		
Repairs and Maintenance		
5706 - Maint/Repairs Common Area		\$3,500.00
5709 - Maint/New Plantings		\$0.00
5710 - Lawncare/mowing		\$18,000.00
5715 - Tree Removal		\$3,500.00
Total Repairs and Maint		\$25,000.00
5000 - Accounting		
		\$7,000.00
5100 - Insurance		
		\$1,600.00
5600 - Legal		
		\$0.00
5750 - Website		
		\$315.00
5760 - Printing		
		\$500.00
5765 - Annual Meeting/Expenses		
		\$600.00
5830 - Postage and Delivery		
		\$500.00
5831 - Supplies		
		\$0.00
5832 - Office Expense		
		\$300.00
5900 - License/Reports		
		\$65.00
5910 - Income Taxes		
		\$800.00
Total Expense		\$36,680.00
Net Income	\$0.00	

**NOTICE OF INTENT TO BE A CANDIDATE FOR THE
BOARD OF DIRECTORS OF
SACHEM'S HEAD HOMEOWNERS' ASSOCIATION, INC.**

I, _____ hereby place my name in nomination as a Candidate for the Board of Directors. I understand that I am responsible for the accuracy of any information contained in the Candidate Information Sheet.

Please print your name and address beneath your signature.

Signature

Print Name

Street Address

Email Address / Telephone Number

Date: _____, 2022

CANDIDATE INFORMATION STATEMENT
SACHEM'S HEAD HOMEOWNERS' ASSOCIATION, INC.

NAME: _____

ADDRESS: _____

MOVE IN DATE: ____/____/____

PERSONAL BACKGROUND:

PRIOR ASSOCIATION EXPERIENCE: _____

COMMENTS ABOUT BOARD CANDIDACY:

This form is provided for your convenience. You may send in your own one-sided, 8½" by 11" information sheet. Please type or print legibly. Your form will be photocopied as received.