



HSCA FEE SCHEDULE

**Water System Fees
(Fee Schedule Appears on Water Application)**

1. Water Monthly Base Fee \$40 per month

All active water customers are charged a base rate of \$40 per month regardless of whether or not they use any water. Charging a base rate is a common practice in the water industry when water meters are used to measure consumption in lieu of charging a flat fee for the entire water bill.

2. Water Monthly Usage Rate of \$6.00 per 1,000 gallons

When active water customers actually use water this usage is metered and the cost of the water supplied is \$6.00 for every 1,000 gallons the customer uses. This amount plus the water base rate normally constitutes the full monthly water bill which tends to average about \$46 per month. HSCA had previously used a \$50 per month flat fee billing system.

3. Water Billing Late Fee of \$5.

Each water bill has a payment due date that is approximately 30 days from the day the bill was created and which also generally occurs one day prior to the next meter reading date. Customers are charged \$5 if they pay the bill after the due date.

4. Returned Check Fee of \$27

Any customer who pays with a check that is returned is charged \$27 each time this occurs, and will be added onto the customer's next bill.

5. Non Payment Water Reconnect Fee of \$50

This fee is charged to any customer whose bill is so delinquent that we turn off/lock their water service for lack of payment. The customer must pay all overdue water balance plus the nonpayment water reconnect fee to have the water restored.

6. Tenant Refundable Water Deposit of \$250

Water service locations that are occupied by a tenant and not the actual owner require a \$200 refundable deposit paid by the tenant and verification from the owner of the property that the tenant is lawfully utilizing the property and is authorized to open a water account. The deposit amount is refunded when



the tenant departs but often times are used to pay some amount of the final water bill. This fee was enacted because there was a tendency for certain tenants to leave and not pay an existing water balance. The owner verification is used to help avoid squatting.

7. New Service Connection of \$1,000

The new service connection or “tap fee” is routinely charged by water and sewerage utilities. The fee is used to pay for installing the water meter/radio that currently has a cost of approximately \$800 and to initially set up a new customer in the water billing system. A portion of this \$800 fee is to be deposited into the Water Reserve fund to offset the actual purchase of the water meter/radio. It is also important to note that \$3 per month out of each water bill is also directed toward the Water Reserve Fund to help supplement that portion of the Annual Assessment that is also directed toward the Water Reserve Fund. The monthly amount is based on the number of paying water accounts which is currently 490 for 2021 resulting in a monthly amount of \$1,470. This amount is adjusted annually and then remains fixed during the fiscal year.

8. Reconnect Water Service Fee of \$175

Some of our water customers utilize their homes on a temporary basis and can be off island for 6 months or more. Other times some homes can be vacant for prolonged periods of time. HSCA therefore decided to allow customers to pay this fee to have their water turned/locked off so no water can be used until the lock is removed by HSCA staff. If this fee is paid, the water base rate of \$40 per month is not charged until the customer returns and requests that the water is turned back on.

9. Easement Maintenance Fee of \$100 per hour

Our CC&R’s require all property owners to maintain the water easement that typically runs along the last 5 feet of property at the back of the lot. For lots that have homes on them this area tends to be taken care of by the owner. However, easements at the back of vacant lots that are thickly vegetated tend not to be maintained at all and are much more likely to experience fallen trees etc. This fee is not utilized very often and only applies when extraordinary measures are required of our staff to access an area of the water system for either flushing or to affect system repairs.

10. Emergency Turn Off Fee After Hours of \$100

Water service customers can experience a water emergency related to a service line leak or major leak within their home. When these types of emergencies happen after hours our staff can be called to “report to work” most likely on an overtime basis to turn off the water. If the reason to turn off the water is related to the customer’s side of the water system which includes the service line from their meter to the house, this fee can be applied.



Annual Assessments and Related Fees

1. Annual Assessment Fee of \$475

Most of the income generated by HSCA comes from an Annual Assessment that is typically charged by most HOA’s to support the maintenance and upkeep of common areas. The billing for this fee occurs once per year early in our fiscal year (November –October) with payment due on January 31st. When a payment is made the monies are deposited to support either our general operations or our reserve and infrastructure funds. The current and proposed breakdown of the annual assessments is shown below:

	<u>2025 Annual Assessment of \$475</u>	<u>2026 Annual Assessment of \$475</u>
Operations	\$ 251	\$ 251
Water Reserve	\$ 63	\$ 63
Road Infra.	\$ 75	\$ 75
Parks and Fac.	\$ 36	\$ 36
Emergency Reserve	\$ 22	\$ 22

2. Annual Assessment Finance Charges 1% per month on past due balances

Members who fail to pay their annual assessment on or before March 1st of each year are charged a late payment finance charge of 1% per month until payment is made. The rate of the finance charge is established by the Board of directors and authorized within article 10.07 of the Bylaws.

3. Lien Filing Fee of \$150

HSCA can place liens and turn accounts over to our collection agency when member’s accounts become significantly delinquent. This typically is defined as having two or more annual assessments in delinquency. All accounts are reviewed annually to determine if liens should be applied and/or if they should be turned over to our collection agency. When a lien is filed, \$150 is added to the member’s account.

Other Fees

1. Property Transfer Fee of \$300

HOA’s are permitted by State law to charge a fee at the time of property transfer to cover the costs of setting up new customer accounts and processing other changes needed to document the change of



ownership within their internal systems. The process of transferring ownership for HSCA begins with preparing a demand request from the Title agency to determine if there are liens and account balances with the current owner and after the sale includes, adding a new owner account and deactivating the seller account in QuickBooks, processing a water application/adding the account in MuniBilling if there is a water account, updating the members list, preparing and mailing out a welcome packet, reading the water meter and preparing a final bill for the seller's account, preparing new park cards, and filing a copy of the warranty deed in the lot files. This fee used to be \$100 but the Board increased it to \$300, effective October 2016 because the lower amount was not covering the cost of what takes place when property is sold.

2. Infrastructure Impact Fee of \$700

The Board of Directors instituted an impact fee in October of 2016 that will be charged to members when they construct a home on a lot that is currently vacant. This type of impact fee is fairly common when properties are developed and is used to offset the added maintenance of infrastructure that is created with the additional use on our roads, water system and park facilities happens as a result of a new home being constructed. This fee is charged as a part of the design review process just prior to providing step two approval which basically authorizes the member to proceed with building the home.

3. Variance Fee of \$50

The Board of Directors instituted a Variance Fee in February of 2021 that will be charged to a variance applicant to cover the mailing and processing costs directly related to member notification.

4. Surcharge Fee of \$4.75

The Board of Directors instituted a 1% Surcharge on credit card transactions for assessment payments in May of 2022 to start with the 2023 Assessment payments that will be used to offset the Intuit credit card fees.

5. Service Fee for Western Union Transactions of \$125

The Board of Directors instituted a Service Fee for Western Union Transactions in February 2022 that will be charged to members when they pay their assessments through Western Union to cover the travel and time required to process assessment payments in this manner.