

Kinderton Village

HOME OWNERS ASSOCIATION



Proposed Annexation

Presented by Dick Heriot

Secretary, Single Family Board



July 15, 2010

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Thursday, July 15, 2010

Meeting Agenda

- **Summary of June 24th presentation**
- **Responses to questions and comments received via the KV website and email**
- **Town of Bermuda Run Mayor**
- **Question and Answer Session**

Summary Of June 24th Presentation

- **The Kinderton Village Board of Directors is proposing that the Town of Bermuda Run annex Kinderton Village**
- **KV is already part of the Bermuda Run Extra Territorial Jurisdiction (ETJ) and must adhere to Bermuda Run ordinances**
- **After annexation, Bermuda Run would be required to provide those services to KV that it provides to current Bermuda Run Town residents**
- **KV residents would pay a tax to Bermuda Run based on the assessed value of their property (15¢ per \$100 of assessed value)**
- **HOA dues would be reduced by \$15 per month to lessen the impact of the additional tax**

Summary Of June 24th Presentation

- **Kinderton Village will have the right of representation on the Bermuda Run Town Council**
- **Kinderton Village covenants and by-laws will remain unchanged and in effect. We will continue to govern ourselves as we do now.**
- **Kinderton Village addresses will not change**
- **Kinderton Village will still have responsibility for the pool, clubhouse, clubhouse parking lot, alleys, and lake maintenance**
- **Voluntary annexation requires the approval of a majority of Kinderton Village residents**

What Does Annexation Mean?

What Will Change If Kinderton Village Is Annexed?

- **Kinderton Village would become part of Bermuda Run**
- **Kinderton Village property owners would pay an ad valorem tax to Bermuda Run (15¢ per \$100 of assessed value)**
- **Bermuda Run would then provide certain services to Kinderton Village (see next chart)**
- **Kinderton Village would be represented on the Bermuda Run town council (2 seats)**
- **Kinderton Village HOA dues will be reduced by \$15 per month**

What Will Bermuda Run Do For Kinderton Village?

- **Bermuda Run will assume responsibility for the following:**
 - ✓ **Streets (not including the alleys behind single family houses)**
 - ✓ **Street lighting**
 - ✓ **Common area maintenance**
 - ✓ **Snow plowing**
 - ✓ **Garbage pickup**
 - ✓ **Any other services it provides, or will provide, for current Bermuda Run residents**

What Doesn't Change?

- ✓ **KV board governance remains as is**
- ✓ **KV will still have responsibility for the clubhouse and pool**
- ✓ **KV will still have responsibility for alleys**
- ✓ **KV will still have responsibility for lake maintenance**
- ✓ **Addresses will not change**
- ✓ **All Kinderton Village covenants and by-laws remain unchanged and in effect. We will continue to govern ourselves as we do now.**

Questions and Comments

The following questions and comments were gleaned from forum entries on the HOA website, SpeakUp! submissions, and emails.

This is not intended to be an exhaustive list, but is representative of the many comments and questions the Board of Directors has received.

Question

Why is Bermuda Run trying to annex Kinderton Village?

Response

Bermuda Run is not trying to annex Kinderton Village.

Kinderton Village HOA Board of Directors is the party proposing that Bermuda Run annex Kinderton Village.

Comment

Kinderton Village needs to negotiate a better deal with Bermuda Run

Response

There is nothing to negotiate. By law, KV residents must pay a tax to Bermuda Run, and Bermuda Run must provide those services to KV that it provides to its current residents.

Comment

Bermuda Run has cherry picked services and expenses

Response

Not correct.

Bermuda Run cannot pick the services it will provide to Kinderton Village. The services that will be provided are governed by North Carolina law, and the expense savings are a natural consequence.

Comment

Bermuda Run will raise taxes after annexation

Response

By NC state law, Bermuda Run cannot increase taxes unless a majority of its residents, including KV residents if annexed, approve a tax increase (General Assembly of North Carolina, Session Law 1999-94, Senate Bill 691).

Comment

Bermuda Run could levy a special assessment property tax at any time

Response

By NC state law, a municipality cannot levy a special assessment for street, sidewalk, or critical infrastructure improvements unless a majority of its residents petition for the improvements (NC General Statutes Chapter 160A, Articles 10 and 10A).

Question

Why doesn't the state take responsibility for KV streets?

Response

The KV HOA Board spoke recently to Jeff Turner of the NC DOT, and his recollection was that KV streets do not meet state standards. He offered an opinion that having Bermuda Run assume this responsibility would be the best course for Kinderton Village, especially considering the other services Bermuda Run would provide.

Comment

Annexation will just add another level of bureaucracy

Response

No. Annexation will not add another level of bureaucracy. Rather it will merely present a different source to go to with certain issues. For example, rather than the board contacting our management company (CAS), we may need to contact the Bermuda Run Town Manager.

Question

Do we have access to the Bermuda Run budget and charter?

Response

Yes. The charter is available on the HOA website (<http://www.kindertonvillage.org>), and the budget is available for review in the Bermuda Run town hall.

Comment

Bermuda Run will keep KV residents from using the Bermuda Run address to protect its brand

Response

Bermuda Run will not keep KV residents from using the Bermuda Run address. Rather, we will probably choose not to do so. All mail addressed to Bermuda Run goes to the small Bermuda Run post office and residents must pick up mail there. KV's system of mail kiosks is much more convenient.

Comment

HOA dues should be reduced to cover the entire tax

Response

The reduction in HOA dues coupled with the annual savings for garbage pick-up goes a long way toward offsetting the additional property tax, and in some instances completely covers it. KV must continue to collect dues to cover expenses not taken care of by BR, and build a reserve for future improvements to our village (pool, playground, lake, poolhouse, etc.)

Comment

Bermuda Run is in financial trouble and needs KV money

Response

The Town of Bermuda Run is in excellent financial condition. It is not affected by the financial problems associated with the Bermuda Run Country Club, which is privately owned.

Question

How do I vote for annexation?

Response

You vote for annexation by signing the annexation petition. Every resident of Kinderton Village over the age of 18 is eligible to sign the petition.

Question

Where can I sign the petition?

Response

You can sign the petition tonight if you're ready.

You can also sign at the KV Clubhouse on:

Saturday, July 17th, 9am to 11am

Sunday, July 18th, 2pm to 4pm

Additional dates and times will be published on the KV HOA website and via email announcements

Question

How do I vote against annexation?

Response

We hope that after carefully considering all the facts, you will support the annexation of Kinderton Village by the Town of Bermuda Run. However, if you don't support annexation, you need do nothing. You vote NO by not signing the petition.

Question

What if I have more questions or need more information before I can make a decision?

Response

You can continue to use the KV HOA website SpeakUp! feature to submit comments and questions, or send an email to annexation@kindertonvillage.org.

We also encourage you to use the KV HOA website forums to continue the annexation discussion.