

Fran

August 1, 2005

Recommendations from Fran LaSalle and Julia Cady after a second consultation with Harold Putnam in July. We had ascertained, before meeting with Harold, where PMA's losses and gains were.

- We recommend to PMA Trustees that Jan to Dec detail of expenditures, as well as summary P & L, be combined with the yearly balance sheet in the Association book by year.
- We recommend that the trustees hire a "treasury consultant" with whom to meet annually, after they arrive at a budget.
- Then have the treasury consultant or the treasurer, do annually what we did this year, check on the last 5 year's projections and decide if the projections for the next 5 years seem to be on target.
- Fran and I suggest that the trustees watch the projection \$ amounts at the end of each year to make certain they are in line.
- Watch total on ordinary maintenance costs to make certain they are in line.
- Make certain the number of new appliances is in line with projections.

This sounds like work but PMA is getting into the roofing years which are the expensive years so \$'s need to be tracked closely. The good news is that projections are looking fine thus far, we just want them to continue that way and the only way this happens is to watch the spending patterns.

Lastly we think it may not be too soon to look into water softener brands and those which have the best maintenance record. Thus far we haven't purchased any new ones; if the trustees decide ahead of time which ones they want to purchase, then when one breaks down you can check the maintenance record on this particular one to decide whether to repair or purchase a new one.

Julia Cady & Fran LaSalle

**CASH FLOW PROJECTION  
2005-2015  
Park Meadows Association**

CASH FLOW PROJECTION PARK MEADOWS ASSOCIATION OPTION 1.										
				Estimated expenses*						
				3% /year inflation		Staining	Roofs	Paving	Total	
				ordinary	major routine					
				in	adm.&maint.	maintenance**				
7/1/05	starting balance	checking & savings							184,012	
2005	assessments, interest	7/1-12/31/05	31,302	12,000	5,175			17,175	198,139	
2006	assessments, interest	all services	62,604	24,720	10,661			35,381	225,363	
2007	assessments, interest	all services	62,604	25,462	10,980			36,442	251,525	
2008	assessments, interest	all services	62,604	26,225	11,310			2185	39,720	274,408
2009	assessments, interest	all services	62,604	27,012	11,649				38,661	298,351
2010	assessments, interest	all services	31,302	13,911	5,999			2318	22,229	307,425
2010	assessments, interest	all services	31,302	13,911	5,999				19,910	318,816
2011	assessments, interest	all services	62,604	28,657	12,358		74,768		115,783	265,637
2012	assessments, interest	all services	62,604	29,517	12,729	52,250			94,496	233,745
2013	assessments, interest	all services	62,604	30,402	13,111	53,807			97,320	199,029
2014	assessments, interest	all services	62,604	31,315	13,504		81,357		126,176	135,457
2015	assessments, interest	all services	62,604	32,254	13,909		83,639		129,802	68,259
Note* 2nd half 2005 estimates recalculated based on experience in 2000-2005 still factoring in a 3%/yr. Increase for inflation										
**Includes water heaters, water softners, air conditioners, furnaces										
Staining calculated based on 1.80/sq. ft. in 2005 w/3%/yr. incr.										
Roofing calculated based of 2.50/sq.ft. (including 25% pitch) in 2005 w/3%/yr. Incr.										

**CASH FLOW PROJECTION  
ACTUAL VS. PROJECTED  
Park Meadows Association**

<b>CASH FLOW PROJECTION PARK MEADOWS ASSOCIATION OPTION 1.</b>									
				Estimated expenses*					
				3% /year inflation		Actual	Actual	**	
				ordinary	major	ordinary	major	description	
		in		adm.&maint.	maintenance	adm. & maint.	maintenance	major maintenance	on hand
1/1/00	starting balance	checking & savings							85,000
2000	assessments, interest	1/1/00-6/30/00	15,588	11,000					95,121
2000	new assessments	7/1-12/31/00	31,517	11,330	16,000	9,017	1,550	water heaters	116,071
2001	assessments, interest	all services	68,607	23,000	15,750	20,600	31,756	water heaters/paving	132,322
2002	assessments, interest	all services	68,288	23,690	19,000	24,020	7,776	w. htr,htg/ac/pvmt	168,814
2003	assessments, interest	all services	68,073	24,401	33,208	30,539	44,600	stain/paint/htg/ac	161,748
2004	assessments, interest	all services	68,496	25,133	33,208	21,574	37,722	stain/paint/htg/ac	170,948
2005	assessments, interest	1/1/2005-6/30/05	32,897	12,943	16,000	12,381	4,918	htg/wtr htr/paving	186,546
2005	assessments, interest	7/1-12/31/05	31,302	12,000	5,175			w htr,w sft/htg/ac	200,673
2006	assessments, interest	all services	62,604	24,720	10,661			w htr,w sft/htg/ac	227,897
2007	assessments, interest	all services	62,604	25,462	10,980			w htr,w sft/htg/ac	254,059
2008	assessments, interest	all services	62,604	26,225	13,495			w htr,sfr/htg/ac/pavir	276,942
2009	assessments, interest	all services	62,604	27,012	11,649			w htr,w sft/htg/ac	300,885
2010	assessments, interest	all services	31,302	13,911	8,317			w htr,sfr/htg/ac/pavir	309,958
2010	assessments, interest	all services	31,302	13,911	5,999			w htr,w sft/htg/ac	321,350
2011	assessments, interest	all services	62,604	28,657	87,126			roofs/wtr htr/htg/ac	268,171
2012	assessments, interest	all services	62,604	29,517	64,979			stain,wtr htr/htg/ac	236,279
2013	assessments, interest	all services	62,604	30,402	66,918			stain,wtr htr/htg/ac	201,562
2014	assessments, interest	all services	62,604	31,315	94,861			roofs/wtr htr/htg/ac	137,991
2015	assessments, interest	all services	62,604	32,254	97,548			roofs/wtr htr/htg/ac	70,793
Note* Beginning 2nd half 2005 estimates recalculated based on experience 2000-2005 still factoring in a 3%/yr. for inflation									
Note** See Park Meadows Worksheets for estimates.									

	A	B	C	D	E	F	G	H	I	J	K	L
1			Cost per year	Cost in 2003/	Cost per year	Cost per year	Cost per year	Cost per year	Total per Year	COST PER		
2			\$21541/34	2004 for	for 5 years	Water Heater,	Roofing 2010	Furnace & AC	Ordinary +	MONTH		
3	House	Owner	Routine Maint.	Staining &	Staining	Softener,Filter	including re-	Replace by	Special	ALL PRESENT		
4	No.	3/1/00	&Other Ex-	Painting	Painting	Replacement	cent additions	2008-2010	Maintenance	SERVICES		
5			penses as	Wood & Doors					All Present			
6			experienced	incl. Porches					Services			
7			present level	&Garage Doors								
8			of services	based on								
9				measurements								
10				including recent additions								
11												
12	100	Olson	634	1,479	296	105	299	404	1,738	145		
13	105	Beck	634	2,020	404	105	278	404	1,825	152		
14	110	Lackey	634	1,610	322	105	315	404	1,780	148		
15	115	Joyce/Glacy	634	1,605	321	105	312	404	1,776	148		
16	120	Brookshire	634	2,080	416	105	434	404	1,993	166		
17	125	Donat	634	2,168	434	105	375	404	1,952	163		
18	130	Price	634	916	183	105	132	404	1,458	122		
19	135	Phillips	634	2,665	533	105	246	404	1,922	160		
20	140	Limbach	634	1,625	325	105	313	404	1,781	148		
21	145	Morrison	634	2,756	551	105	254	404	1,948	162		
22	150	Duckwall	634	1,735	347	105	368	404	1,858	155		
23	155	Ray	634	1,991	398	105	413	404	1,954	163		
24	160	LaSalle/Mize	634	2,094	419	105	448	404	2,010	167		
25	165	Cady	634	2,375	475	105	443	404	2,061	172		
26	170	McMillan	634	1,958	392	105	275	404	1,810	151		
27	175	Craig	634	2,010	402	105	193	404	1,738	145		
28	180	Reber	634	1,892	378	105	392	404	1,913	159		
29	185	Austin	634	1,929	389	105	310	404	1,842	154		
30	205	Paget	634	2,022	404	105	343	404	1,890	158		
31	210	Alexander	634	2,189	438	105	336	404	1,917	160		
32	215	J.Brown	634	2,348	470	105	343	404	1,956	163		
33	220	Caudill	634	1,457	291	105	186	404	1,620	135		
34	225	Colbert	634	2,143	429	105	459	404	2,031	169		
35	230	Saari	634	2,886	577	105	296	404	2,016	168		
36	235	Parker	634	1,763	353	105	346	404	1,842	153		
37	245	E.Brown	634	2,015	403	105	334	404	1,880	157		
38	250	Wiley	634	1,610	322	105	259	404	1,724	144		
39	255	Johnson/Chapman	634	1,640	328	105	183	404	1,654	138		
40	260	Preis	634	1,598	320	105	308	404	1,771	148		
41	265	Willis	634	2,259	452	105	443	404	2,038	170		
42	270	Taylor	634	1,770	354	105	378	404	1,875	156		
43	275	Kobermick	634	1,908	382	105	131	404	1,656	138		
44	280	McVey/Stevens	634	1,521	304	105	259	404	1,706	142		
45	285	Adkins	634	2,997	599	105	245	404	1,987	166		
46		TOTAL	21,556	67,034	13,410	3,570	10,649	13,736	62,921	5,243		
47	Notes:											
48	1. Staining and painting was done in 1993/94 at 5 years. Next painting due 2003/2004. (Much depends on weathering.) Cost of staining outside of porches included.											
49	2. Water heater, softener, and filter replacement assumes 10 years already paid; cost per year is for next 10 years.											
50	3. Roofing-Assumes that 10 years has already been paid; divides cost by 10 to provide for succeeding 10 years.											
51	4. Furnace and air conditioner replacement assumes that 10 years has already been paid; divides cost by 10 to provide for succeeding 10 years.											
52	5. Routine maintenance and other expenses is the average of 1998 & 1999 divided by 12. Inflation is assumed to be covered by income earned on reserves. All other costs											
53	are calculated to rise 3% per year.											

Park Meadows Measurements  
8/1/05

Park Meadows Residences - 12/31/99															
No.	Owner	Built	Porch	Single or Double	Stories	Roof Sq.Ft.	Porch Sq.Ft.	Roof Garage Sq.Ft.	Total Roof Sq.Ft.	Total Roof add 25% for pitch-sq.ft.	\$1.40/sq.ft. Est. Cost to re-roof at 20 years	Total Siding Sq.Ft.	1.32/sq.ft. Stain Siding 2003 & 2004 from 1993/94	Add for painting S or D garage door & house doors	Total staining and painting cost 2003/04
100	Olson	1989	yes	S	1	1460	250		1710	2138	2,993	1026	1,354	125	1,479
105	Beck	1988		D	2	1110	0	480	1590	1988	2,783	1409	1,860	160	2,020
110	Lackey	1989	yes	S	1	1550	248		1798	2248	3,147	1125	1,485	125	1,610
115	Joyce/Glancy	1988		S	1	1780	0		1780	2225	3,115	1121	1,480	125	1,605
120	Brookshire	1990	yes	S	1	1892	266	320	2478	3098	5,421	1481	1,955	125	2,080
125	Donat	1988	yes	D	1	1430	248	465	2143	2679	3,750	1521	2,008	160	2,168
130	Price	1990		S	1	752	0		752	940	1,316	599	791	125	916
135	Phillips	1988		S	2	1078		330	1408	1760	2,464	1924	2,540	125	2,665
140	Limbach	1990		S	1	1790			1790	2238	3,133	1136	1,500	125	1,625
145	Morrison	1989		D	2	1030		420	1450	1813	2,538	1967	2,596	160	2,756
150	Duckwall	1990		D	1	2100			2100	2625	3,675	1193	1,575	160	1,735
155	Ray	1989		D	1	2360			2360	2950	4,130	1387	1,831	160	1,991
160	LaSalle/Mize	1989	yes	D	1	2310	252		2562	3203	4,484	1465	1,934	160	2,094
165	Cady	1990	yes	D	1	2310	220		2530	3163	4,428	1678	2,215	160	2,375
170	McMillan	1990		S	1	1570			1570	1963	2,748	1389	1,833	125	1,958
175	Craig	1990	yes	S	2	870	230		1100	1375	1,925	1428	1,885	125	2,010
180	Reber	1989		D	1	2240			2240	2800	3,920	1312	1,732	160	1,892
185	Austin	1989		S	1	1771			1771	2214	3,099	1379	1,820	125	1,945
205	Paget	1988	yes	S	1	1740	220		1960	2450	3,430	1437	1,897	125	2,022
210	Alexander	1988	yes	S	1	1400	220	300	1920	2400	3,360	1564	2,064	125	2,189
215	J.Brown	1989		S	1	1960			1960	2450	3,430	1684	2,223	125	2,348
220	Caudill	1988		S	2	740	320		1060	1325	1,855	1009	1,332	125	1,457
225	Colbert	1988	yes	D	1	2340	280		2620	3275	4,585	1502	1,983	160	2,143
230	Saari	1988	yes	D	2	980	230	480	1690	2113	2,958	2065	2,726	160	2,886
235	Parker	1988	yes	S	1	1760	216		1976	2470	3,458	1241	1,638	125	1,763
245	E.Brown	1988		S	1	1360	230	320	1910	2388	3,343	1432	1,890	125	2,015
250	Wiley	1988		S	1	1480			1480	1850	2,590	1125	1,485	125	1,610
255	Johnson-Chapman	1988		S	1	754	290		1044	1305	1,827	1148	1,515	125	1,640
260	Preis	1989		S	1	1760			1760	2200	3,080	1116	1,473	125	1,598
265	Willis	1988	yes	D	1	2310	220		2530	3163	4,428	1590	2,099	160	2,259
270	Taylor/Chiang	1988		D	1	2158			2158	2698	3,777	1220	1,610	160	1,770
275	Kobernick	1988		S	2	750			750	938	1,313	1351	1,783	125	1,908
280	McVey/Stevens	1988		D	1	1479			1479	1849	2,588	1031	1,361	160	1,521
285	Adkins	1988		D	2	980	420		1400	1750	2,450	2149	2,837	160	2,997
										76036	107,535	47204	62,309	4740	67,049
Notes:															
1. Where the garage roof is not stated separately, it is included in the unit's roof measurement.															
2. The differences in siding measurements are because some units have offsets, dormers, chimneys, or two stories.															
3. Basis of roofing cost is 20 year shingles. Estimate by Sherrif-Goslin, Dayton & Spfld. contractor.															
4. Basis of cost for staining siding and painting doors extrapolated from 1993/94 costs paid to King Painting and Buck Truitt. (3% incr./annum)															
5. Measurements include additions to date.															

## 2000-2005 Park Meadows Expenses

	7/1/00- 12/31/00	2001	2002	2003	2004	1/1/05-6/30/05	TOTAL
<b>NEW APPLIANCES</b>							
Air Conditioners		2,745	2,369	1,500			6,614
Furnaces		3,388	1,752	4,672		1,325	11,137
Water Heaters	1,550	1,623	1,655		1,834	1,593	8,255
<b>Total New Appliances</b>	<b>1,550</b>	<b>7,756</b>	<b>5,776</b>	<b>6,172</b>	<b>1,834</b>	<b>2,918</b>	<b>26,006</b>
<b>FURNACE/AC</b>							
Seasonal Check	1,122	2,795	1,292	2,795	1,666	1,900	11,570
Repair	1,113	2,446	4,357	3,738	1,147	360	13,161
Furnace filters	358	978	1,603	1,959	1,340	1,091	7,329
Labor	358	958					1,316
Wash Trane					305		305
<b>Total Furnace/AC</b>	<b>2,951</b>	<b>7,177</b>	<b>7,252</b>	<b>8,492</b>	<b>4,458</b>	<b>3,351</b>	<b>33,681</b>
<b>PLUMBING</b>							
Water Cartridges	376	719	719	1,128	365	376	3,683
Labor		250			343		593
Water softener maintenance	710	303	353	712	831	652	3,561
Regular plumbing	556	1,819	2,820	997	1,228	517	7,937
<b>Total Plumbing</b>	<b>1,642</b>	<b>3,091</b>	<b>3,892</b>	<b>2,837</b>	<b>2,767</b>	<b>1,545</b>	<b>15,774</b>
<b>GROUNDS</b>							
Snow removal		580	560	3,280	473	1,472	6,365
Mowing	1,599	2,338	4,348	5,055	4,182	1,355	18,877
Other	867	1,373	1,567	1,538	1,788	81	7,214
<b>Total Grounds</b>	<b>2,466</b>	<b>4,291</b>	<b>6,475</b>	<b>9,873</b>	<b>6,443</b>	<b>2,908</b>	<b>32,456</b>
<b>OTHER EXPENSES</b>							
Andy Retainer/Labor	480	960	974	2,748	994	320	6,476
Attorney fees/bad debt	398		227			64	689
Bookkeeper	540	1,080	1,290	1,200	1,100	700	5,910
Garage Doors	167	1,396	550	690	1,424		4,227
Misc.	182	168	118	59	214	262	1,003
Roof Repairs	125				775		900
Stamps	66	136	192	148	185	74	801
Taxes/Insurance		2,301	3,050	3,050	3,214	3,157	14,772
Vent Cleaning				1,442			1,442
<b>Total Other Expenses</b>	<b>1,958</b>	<b>6,041</b>	<b>6,401</b>	<b>9,337</b>	<b>7,906</b>	<b>4,577</b>	<b>36,220</b>
<b>MAJOR MAINTENANCE</b>							
Paving	0	24,000	2,000			2,000	28,000
Roofing	0						
Staining	0			38,428	35,888		74,316
<b>Total Major Maintenance</b>	<b>0</b>	<b>24,000</b>	<b>2,000</b>	<b>38,428</b>	<b>35,888</b>	<b>2,000</b>	<b>102,316</b>
<b>Total All Expenses</b>	<b>10,567</b>	<b>52,356</b>	<b>31,796</b>	<b>75,139</b>	<b>59,296</b>	<b>17,299</b>	<b>246,453</b>