

Discussion points with trustees from Fran and Julia - After 2015 audit

A. The main reason the association needs time to recoup savings is because the expenses for roofing came sooner than forecast in the projections and in a different manner than forecasted. This all happened in a 5 year period, which also ran into the next staining period. The association was able to pay for these earlier than expected expenses, however, now it is time to accumulate reserves for the future roofing.

These projected future roofing costs of \$302,844 are based on 1 layer of shingles at (25 year quality). This projected cost is for 76,864 sq/ft of roof at \$3.94 a sq/ft. Projected years it could take place would be years 2032, 2033, 2034, 2035.

DAYTON

An e-mail from Paulette stated that Sheriff Goslin, roofer PMA used in 2007, 2008 & 2009, had only roofed 68,500sq/ft. The 1999 and 2005 spreadsheet with peak factor was 74,000sq/ft and the 2013 spreadsheet w/peak factor was 77,000sq/ft. I used 76,864sq/ft. Try not to be confused, it is a reflection of new roofing when additions were added since 2007, 8 & 9 and some slight overestimating for still future building.

B. We feel it's important that current and future homeowners of the Park Meadows Association understand that they have a responsibility as homeowners, to volunteer as a trustee.

C. Now that PMA has an archival record, thank you very much Peggy, we believe it would be important to have it stored someplace such as the "cloud", so that future trustees and homeowners could also have access to the record.

D. We think it is important to always have 4 trustees.

2016-2025 RECOMMENDATIONS & CONCLUSIONS

STAINING:

After research into stains used on the units, we believe staining could reasonably be done on a 12 yr. cycle.

ROOFING:

It seems reasonable to re-roof on a 25 year cycle. Roofs can be repaired as opposed to replaced.

PLUMBING REPAIRS:

We recommend limiting these to repairs involving water softeners and water heaters. Residents should pay for all personal repairs. The savings are estimated to be between \$1200-\$1500/yr. While not huge, the amount is not insignificant.

ELECTRICAL REPAIRS:

These should be limited to those related to smoke detectors and garage doors.

HANDYPERSON RETAINER:

We recommend the handy person retainer be eliminated, but that an exterior inspection of homes be done every Spring and Fall.

RECORD KEEPING:

This is an important aspect, not only for historical reasons but also for projection of repairs, expenses, etc. The "black book" contains useful information and needs to be kept up to date. We have updated it through September, 2015. It was located in Rachel's garage.

GROUNDS & LANES:

Expenditures should be monitored carefully. Expenses under this heading could be shifted among the different categories to allow some latitude for special needs.

BUDGET PROJECTIONS:

We projected income/expenses over a period of 10 years. Our figures were based on the P&L spreadsheet covering the period from 2010 through Sept. of 2015 provided by the bookkeeper. (A period of 5.75 years) A 3% per year increase in expenses was factored in.

CONCLUSIONS:

Based on the projections and other research, we believe:

1. The bottom line is strong
2. No assessment increase is needed now but needs to be looked at in 5 years.
3. Trustees need to be frugal on monthly expenses to save reserves each year.
4. Accumulating this reserve is necessary for long range projects.
5. Have 2 resident treasurers, one for day to day work and one to keep tabs on long term spending.