

Waterford at Smith Lake

2020 Annual Homeowners Meeting

Agenda

I. Call To Order

II. Roll Call

III. Approval of minutes from last meeting

IV. Year in Review

I. Covid-19 Challenges

II. BBQ Pit Replacement \ Umbrellas & Chairs

V. Elevators

I. Motor Rework and replacement 204

II. Constant Maintenance Issues in 200

VI. Water issues in TV Room

VII. Gutter Repair

VIII. Concrete in Lower Parking Lot

IX. Gravel to reduce wash away

X. Q-Dock- Q-Docks are here, need to be installed

XI. Financials

i. Discussion of Overall Budget

ii. Summary of costs and impact to reserves

XII. Property Concerns

i. Railings

ii. Paint

iii. Re-skin

iv. Gutter Review

v. Rotted wood in TV Room

vi. Parking Lot

XIII. Next Years Budget

i. Reserve Study

ii. Proposal of Two Options for next year's budget

i. With Management Company

ii. Without Management Company

iii. Bright Presentation

iv. FY-2021 Budget

v. All Votes

vi. Board Election

Year in Review

- **Challenges**
 - **Covid-19 Challenges**
 - Substandard grounds maintenance
 - Challenges with water intrusion
 - Challenges with railings
 - Challenges with docks
- **Elevators**
 - Motor Rework and replacement 204
 - Constant Maintenance Issues in 200

Year in Review

- **On the Bright Side**
 - Concrete was poured and looks amazing
 - BBQ Pits replaced
 - Chairs and Umbrellas added to the pool area
 - Elevators Repaired
 - Improvement from last year's budget

FY- 2020 Income Statement

1. FY- 2020 Income Statement

	Budget	Actual	Favorable	Un-favorable
Revenue	172K	175K	3K	
Expenses	172K	176K		(4K)

2. Reserve

	End of 2019	End of 2020	Favorable	Un-favorable
Reserve	145K	166.5	21.5K	

3. Cash on Hand

	End of Q3
Cash	64K

4. FY- 2020 Expenses

Concrete	18K
Elevator Repair	12K
BBQ Pits	2K
Rails Around Pit	4K
Dock Repairs	5K
Qdock	2K

Assessments

Concrete	18K
Budget Shortfall	4K
Total	22K

	End of 2019	End of 2020	Favorable	Un-favorable
Reserve	145K	166.5K	21.5K	

- Special Assessment for both would be \$ 465.91 per Homeowner
- Protects the 166.5K currently held in Reserve

The Future of *Waterford*

- We have a unique property, and it will continue to increase in value
- Many of us Live here
- Many of us relax here

We all want the same thing!

A beautiful property that we can enjoy
That increases in value over time.

If we do nothing ???

- Propose a similar budget as last year only raising areas of spend, we know will increase
- Asses the shortfall in last years budget along with the concrete
- Achieve small improvements next year as we did this year.

	Q1	Q2	Q3	Q4
HOA Dues	\$1365	\$900	\$900	\$900

- This would still allow 21.5K to go into Reserve and likely there will be an assessment for items that **MUST** be addressed next year!

Items Needing Attention

FY -2021	Need
Railings	High
Re-Skin or Paint and Repair	High
Concrete	Med
TV Room wall replacement	High
Paint Walk Areas	High
Paint Doors	Med
Better Maintenance	High
Replace Landscaping	High/Med
Steps to Water	High
Roof	Low/Med

1. Elevators	Replace 2047
2. Fire Alarm	Done
3. Generator	Replace 2042
4. Light Fixtures	Replace 2032
5. Balconies \ Breezeways	Refinish 2022
6. Doors	Replace 2037
7. Gutters	Replace 2042
8. Paint finish	Refinish Now & every 8 years
9. Railings	Replace 2042
10. Flat Roof	Replace in 2017
11. Metal Roof	Replace in 2042
12. Rooftop Stands	Replace 2017
13. Walls EIFS	Repair 2017
14. Deck Concrete	Replace 2027
15. Pool Finish	Replace 2021
16. Asphalt Pavement	Replace 2025

Reserve Study Summary

17. Asphalt Preservation	Every 8 years
18. Boat Ramp	Replace 2027
19. Deck Wood	2026 & 2046
20. Dock Decking	Replace in 2031
21. Dock Roofs	Replace in 2041
22. Gangways	Replace in 2036
23. Light Poles	Replace in 2037
24. Mailboxes	Replace in 2037
25. Retaining Walls	Replace by 2047
26. Shoreline Stabilization	2027 and 2047

Reserve Study Summary

	2020	2021	2022	2023	2024	2025
Beginning	\$ 145,000.00	\$ 166,500.00	\$ 228,800.00	\$292,600.00	\$ 357,900.00	\$424,800.00
In Year Reserve	\$ 21,500.00	\$ 62,300.00	\$ 63,800.00	\$ 65,300.00	\$ 66,900.00	\$ 68,500.00
Projected Expense	\$ 18,000.00					
Ending Balance	\$ 148,500.00	\$ 228,800.00	\$ 292,600.00	\$357,900.00	\$ 424,800.00	\$493,300.00
Assessment	\$ 18,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ 166,500.00	\$ 228,800.00	\$ 292,600.00	\$357,900.00	\$ 424,800.00	\$493,300.00
Impact to A-Dues		\$ 1,297.92	\$ 1,329.17	\$ 1,360.42	\$ 1,393.75	\$ 1,427.08
Impact to Q-Dues		\$ 324.48	\$ 332.29	\$ 340.10	\$ 348.44	\$ 356.77

Reserve Study Summary

	2020	2021	2022	2023	2024	2025	2026	2027
Beginning	\$ 145,000.00	\$ 166,500.00	\$ (121,200.00)	\$(207,400.00)	\$(167,100.00)	\$(110,200.00)	\$ (51,700.00)	\$ 8,400.00
In Year Reserve	\$ 21,500.00	\$ 62,300.00	\$ 63,800.00	\$ 65,300.00	\$ 66,900.00	\$ 68,500.00	\$ 70,100.00	\$ 70,100.00
Projected Expense	\$ 18,000.00	(\$ 350,000.00)	(\$ 150,000.00)	(\$ 25,000.00)	(\$ 10,000.00)	(\$ 10,000.00)	(\$ 10,000.00)	(\$ 10,000.00)
Ending Balance	\$ 148,500.00	\$ (121,200.00)	\$ (207,400.00)	\$(167,100.00)	\$(110,200.00)	\$ (51,700.00)	\$ 8,400.00	\$ 68,500.00
Assessment	\$ 18,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ 166,500.00	\$ (121,200.00)	\$ (207,400.00)	\$(167,100.00)	\$(110,200.00)	\$ (51,700.00)	\$ 8,400.00	\$ 68,500.00
Impact to A-Dues		\$ 1,297.92	\$ 1,329.17	\$ 1,360.42	\$ 1,393.75	\$ 1,427.08	\$ 1,460.42	\$ 1,460.42
Impact to Q-Dues		\$ 324.48	\$ 332.29	\$ 340.10	\$ 348.44	\$ 356.77	\$ 365.10	\$ 365.10

We all want the same thing!

A beautiful property that we can enjoy
That increases in value over time.

Can the Board deliver on this without help?

What Management Company will handle

- Landscape

- Create Landscape Plan
- Mow, weed eat, and edge all turf
- Blow all hard surfaces weekly
- Trim plant material as needed
- Dormant pruning/correction pruning
- Spray/pull weeds weekly
- Limb/pinecone removal in natural areas weekly
- Debris/trash Removal
- Irrigation startup/monitoring/shutdown
- Turf fertilization and weed control 7 round program
- Mulch once a year/Pine straw twice a year
- Pressure washing breezeways, stairwells, & docks once a year

- PROPERTY MANAGEMENT

- Monthly property evaluations
- Light bulb change out as needed
- Janitorial services for common areas twice a week (lavatory, dog stations, trash, etc.)
- Address violations with residences for the board
- Community wide mailouts/email
- Maintain administrative communication with residence for the board 7. Paperwork and communication for property closings 8. Adjust dock cables weekly

- POOL MANAGEMENT

- Weekly cleaning
- Weekly chemicals and log by CPO

- FINANCIAL SERVICES

- Accounts receivable
- Accounts payable
- Monthly financial reports to HOA Board
- Maintain automatic draft accounts
- Address financial communication/issues with residences
- Work with local certified public accountant to complete and file yearly tax return (CPA tax return invoiced separately)

Budget Options addressing normal maintenance issue

Without Management		
Dues	\$1025.00	
Revenue	\$200,000	
Expenses	\$178,500	
Income		\$ 21,500.00
Current Reserve		\$ 166,500.00
Total Reserve		\$188,000.00

With Management		
Dues	\$1130.00	
Revenue	\$216,960	
Expenses	\$196,300	
Income		\$ 20,960.00
Current Reserve		\$ 166,500.00
Total Reserve		\$187,460.00

Budget Options addressing the Reserve Study

w/out Management		Add w/ Management
Dues	\$1375.00	\$ 1475.00
Revenue	\$264,000	
Expenses	\$175,000	\$ 18,000
Income		\$ 89,000.00
Current Reserve		\$ 166,500.00
Total Reserve		\$ 255,500.00

- Option 1

- Do Nothing and the dues stay around \$900.00 with a one-time assessment for budget overrun and for concrete

	Q1	Q2	Q3	Q4
HOA Dues	\$1365	\$900	\$900	\$900

- Option 2

- Address Maintenance Items with and without management

	Q1	Q2	Q3	Q4
HOA Dues	\$1490	\$1025	\$1025	\$1025

	Q1	Q2	Q3	Q4
HOA Dues	\$1595	\$1130	\$1130	\$1130

Option 3 – Board Suggestion

With Management		Address Portion of the Reserve		
Regular Dues	\$1130.00	\$2200.00	Q1	\$ 3330.00
Revenue	\$216,960	\$2200.00	Q2	\$ 3330.00
New Expenses	\$193,300	\$0	Q3	\$ 1130.00
		\$0	Q4	\$ 1130.00
Reserves	\$23,660	Reserve True Up	\$211,200.00 Total	\$ 234,860

	2020	2021	2022	2023	2024	2025
Beginning	\$ 145,000.00	\$ 166,500.00	\$ 151,360.00	\$136,220.00	\$ 144,880.00	\$153,540.00
In Year Reserve	\$ 21,500.00	\$ 234,860.00	\$ 234,860.00	\$ 23,660.00	\$ 23,660.00	\$ 23,660.00
Projected Expense	\$ 18,000.00	\$ 250,000.00	\$ 250,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
Ending Balance	\$ 148,500.00	\$ 151,360.00	\$ 136,220.00	\$ 144,880.00	\$ 153,540.00	\$ 162,200.00

Items we would address next year

	Q1	Q2	Q3	Q4
HOA Dues	\$3330	\$3330	\$1130	\$1130

- 2021
 - Railings & Paint the Patio area for ground floor units - 166K
 - Paint External Doors and all breezeways with no slip paint – 25K
 - Misc. EFIS – 30K (items that could lead to more damage)
 - Rotted Wood in TV Room 25K
- 2022
 - Parking Lot 75K
 - EIFS Repair & Paint 250K
- 2023
 - Roof

Option 4 – Same concept with no management

With Maintenance		Address Portion of the Reserve		
Regular Dues	\$1025.00	\$2200.00	Q1	\$ 3225.00
Revenue	\$245,000	\$2200.00	Q2	\$ 3225.00
New Expenses	\$220,500	\$00.00	Q3	\$ 1025.00
		\$00.00	Q4	\$ 1025.00

Option 5 – Borrow the Money

Voting

- Official Communications will be via e-mail and website
 - Quarterly Communications via e-mail with form up all the time to update changes to email addresses

Yes

No

- Management Company
 - Impact to Quarterly dues is roughly \$100.00 per Quarter

Yes

No

Voting

- FY – 2021 Budget
 - Do Nothing
 - Address Reserve Issue

Yes

- Address Reserve Issue
 - Borrow Money
 - Homeowner funded

No

Option 1

Option 2

Proposed Board Members

- Don Monistere
- James Eidson
- Travis Tidwell
- Shannon Pate
- Richard Kinney
- Brian Zimmerman