

# **ELK RUN PHASE IV HOMEOWNERS ASSOCIATION 2011 ANNUAL MEMBERSHIP MEETING MINUTES PARK CITY DAY SCHOOL**

## **2011 Meeting Call to Order 7:00 pm, November 30, 2011:**

Frank Geraci, President, called the 2011 meeting to order at 7:00 pm. There were (15) homeowners present, (20) proxies were in hand, representing the homeowners not present, for a total homeowner count of (35). Since a quorum was reached the following official business for 2011 was conducted. There will be (5) no proxy/no show fines sent to the following homeowner addresses: 3082, 3096, 3061, 3073 and 3071.

## **2010 Meeting Minutes:**

The 2010 minutes were mailed to all homeowners last year. There was an open forum held on the 2010 minutes, there were no questions, concerns, or changes. Minutes were accepted

## **Summary of Budgets, Projects and Financial Decisions:**

- A set of eighteen slides were presented and discussed in detail during the meeting and are included as official meeting minutes.
- A set of nine additional slides have been created to answer questions asked during the meeting and are included as official meeting minutes.
- Building 23, street addresses 3062, 3064, 3066, 3068 and building 25, street addresses 3082, 3084, 3086 and 3088 will be re-roofed and painted in spring or summer of 2012.
- The last two buildings that need their roofs replaced are 22 and 18. They are scheduled for roof replacement in the summer of 2013. See slide 12 for more information.
- Future driveway replacement will be evaluated each year. Five driveways out of fourteen have been replaced. See slide 14 and supplemental slides 4, 5, 6, 7, 8 and 9 for information.
- Only one roof was scheduled to be replaced in 2011 however, due to extensive roof failure during the winter of 2011 two roofs were replaced. The additional funds needed for the second roof replacement were used from the building maintenance reserves. The building maintenance reserves will be replaced by the end of 2012. See slides 9 and 16.
- Tom Meyers and Melissa Raymond asked if they could participate in the choices for the painting of their building. The Board replied that the colors have already been selected however they could have new input. To do so they must attend the monthly Board meetings and be involved in the total process. See supplemental slides 2 and 3 for more information.
- It was purposed the CC&R's be amended to include the Basic Rules and Maintenance Matrix. A vote was taken. All voted yes there were no, no votes. Melissa Raymond asked that the amendments be mailed to homeowners. The Board replied yes.
- The Board is looking into insurance changes that the State of Utah mandated for all condominium and PDU developments (such as Elk Run) and how those changes may affect the insurance needs of our HOA. If necessary the Board will send out letters this spring.

## **Summary of Budgets, Projects and Financial Decisions:**

- Questions were raised on the details of the HOA Operating Costs (see slide 8). The Board members work between 5 and 35 hours each month. The work includes collections, project management, physical work on projects, accounting, billing, banking, monthly meetings, creation of documentation, newsletters, mailing, creation of RFPs (Request for Proposals, bids), working with contractors and communications with homeowners.
- It was purposed that the dues remain at \$1000 per quarter and a special assessment would be necessary for roof replacement. There were 13 yea votes, 1 nay vote, 1 vote withheld.
- The 2012 dues will be \$1000 per quarter, \$4000 for the year and a special assessment of \$1000 billed in the second and third quarters, which will be used for roof replacement. The total yearly expenses will be \$5000.00, the same as last year.

## **The following homeowners agreed to serve as board members for 2012:**

- Tina Coombs, tinacoombs@comcast.net, 435-640-9939
- Dave Lentz, dlentz1@san.rr.com, 435-655-7515
- Ron Ratcliffe, rrat@xmission.com, 435-640-8554
- Don Crim, dcrim4@cs.com, 435-649-1979
- Frank Geraci, fdgeraci@comcast.net, Fax 435-940-1369
- Joan Ziter, joancz@comcast.net, 435-649-9140
- Justin Larson, freeturn919@yahoo.com, 435-658-2646

## **The 2011 Annual Members Meeting adjured at 8:30 pm.**

### **Important Note:**

*If any homeowner would like to attend the monthly Board meetings or would like to read the monthly meeting minutes please contact a Board member and provide your email address.*

Elk Run Phase IV  
Home Owners Association  
Annual Members Meeting  
November 30, 2011

2011 Annual Members Meeting  
2012 Plan, Budget and Projections

# Elk Run Phase IV HOA

## Annual Members Meeting

### November 30, 2011

## 2012 Plan, Budget and Projections

- Elk Run Phase IV HOA
  - Was Constructed Between
    - 1990 to 1992
  - Consists of
    - 11 Buildings
      - 9 – Fourplex Buildings
      - 2 – Duplex Buildings
    - 14 Driveways
    - 40 Individual Units Total



# Elk Run Phase IV HOA

## Annual Members Meeting Agenda for 2011

- **7:00 pm call to order**
- **Determination of Quorum**
- **2010 Minutes Approval**
- **Treasurer's Report**
  - Balance sheet
- **Old Business 2011**
  - Recurring Annual Expenses
    - 2011 Budget vs. Actual
  - Major Projects for 2011 Concrete
    - Budget vs. Actual
- **New Business for 2012**
  - Recurring Annual Expenses 2011 vs. 2012
  - Amendments to the CC&Rs
    - Basic Rules
    - Maintenance Matrix
  - Insurance Coverage and Changes
- **Budget Plan & Projections for 2012 & Beyond**
  - Major Projects with Special Assessment
    - Roofs
    - Driveways
- **Dues & Assessment Payment 2012 Schedule**
- **2012 HOA Meeting Schedule**
- **Election of New Board Members**
- **8:00 pm Open Forum and Adjournment**

# Elk Run Phase IV HOA Annual Members Meeting Goals and Strategy

- Long Term Goals and Strategy
  - Fund the Annual Recurring Expense Budget
    - Through Quarterly Dues/Fees
    - Any funds remaining at the end of the year are moved to the reserve fund
    - Re-evaluate Quarterly HOA Dues in 2016
    - Based on most major projects having been accomplished
  - Fund Non-Recurring Expenses Through
    - Special Assessments
      - For identified specific needs
        - » Driveway Replacement , Other Upgrades and one time events
      - In the year they are to be repaired / replaced / upgraded
      - Driveway Replacement will require specific special assessments
  - This Strategy should
    - Reduce the need for special assessments
  - Maintain a reserve fund of approximately 50% of the recurring expense budget

# Elk Run Phase IV HOA

## Annual Members Meeting

### Goals and Strategy

- Short Term Goals and Strategy
  - Fund the Annual Recurring Expense Budget
    - Through Quarterly Dues/Fees
    - Dues should be similar to current plus painting costs
    - Annual Dues to be increased to accommodate recurring painting costs
    - Any funds remaining at the end of the year are moved to the reserve fund
  - Fund Non-Recurring Expenses Through
    - Special Assessments
      - For identified specific needs
        - » Roof Replacement, Driveway Replacement
      - In the year they are to be repaired / replaced / upgraded
      - Option - Multi Year Projects Averaged over the Construction Years
      - Utilize accumulated reserve funds to offset roofing costs where possible
      - Roof and Driveway Replacement will require specific special assessments
  - Maintain this Strategy through 2016
    - Enter 2016 with
      - \$42000. identified and funded for the paint budget
      - \$40000. identified and funded for the reserve budget



# Elk Run Phase IV HOA Annual Members Meeting Goals and Strategy

- Current Situation
  - The forecasted annual recurring expense budget ranges from \$117,000. to \$132,000.
  - Annual costs for building maintenance ~\$42,000.
    - Based on 11 buildings, \$19K painting and \$4K carpentry per building
    - Based on a 6 year paint cycle
    - Costs approximately \$260. per quarter per homeowner unit
  - Replacement Roofing Costs per building ~\$41,000.
    - Four buildings remain to be completed
    - Above cost includes \$6K for carpentry on each building

# Elk Run Phase IV HOA

## Annual Members Meeting 2011

<b>Elk Run Phase IV H.O.A. Balance Sheet</b>		
	<b>01-Jan-11</b>	<b>30-Nov-11</b>
<b>Bank Accounts All Deposits</b>	<b>\$ 135,000</b>	<b>\$ 119,513</b>
<b>Special Reserves</b>		
<b>Insurance Deductible / Emergency</b>	<b>\$ (20,000)</b>	<b>\$ (25,151)</b>
<b>* Building Maintenance Reserve</b>	<b>\$ (42,000)</b>	<b>\$ -</b>
<b>Accounts Receivable</b>		
<b>Dues, Assessments</b>	<b>\$ (9,347)</b>	<b>\$ -</b>
<b>Residual Working Funds</b>	<b>\$ 63,653</b>	<b>\$ 94,362</b>
* The building maintenance reserve was used on unscheduled roof replacement		

# Elk Run Phase IV HOA

## Annual Recurring Expenses for 2011

### Budget Plan and Projections for 2012

Recurring Annual Expense Items	2011	*2011	2012
	Budget	Actual	Projected
Grounds Maintenance Yearly Contract	\$ 35,000	\$ 30,000	\$ 31,000
Grounds, Lawn Sprinklers, Tree Spraying, Fertilization, etc.	\$ 10,000	\$ 4,025	\$ 5,300
General Grounds Improvements (Small Non Assessed Projects)	\$ 5,000	\$ 5,722	\$ 5,000
Grounds, Loader, Driveway Clearing Snow Season Only	\$ 3,000	\$ 1,654	\$ 3,000
Grounds Water and Electric	\$ 1,500	\$ 862	\$ 1,500
Tennis Court Grounds	\$ 700	\$ 700	\$ 700
Legal Fees	\$ 1,000	\$ -	\$ 5,000
Taxes, Federal & Local	\$ 1,000	\$ 498	\$ 1,000
General Reserve Contributions	\$ 5,000	\$ 5,000	\$ 5,000
Insurance Premium	\$ 8,500	\$ 8,596	\$ 13,000
*H.O.A. Operating Costs, Administration, Office, Management	\$ 12,500	\$ 8,850	\$ 10,000
Building Painting and Siding Maintenance Reserves	\$ 42,000	\$ 42,000	\$ 42,000
Fence Along Pinebrook Blvd.	\$ 1,500	\$ 2,256	\$ 2,000
Driveway Sealing	\$ -	\$ 5,176	\$ 3,000
Fire Sprinkler Systems	\$ 4,000	\$ -	\$ 4,000
General Building Maintenance (Small Non Assessed Projects)	\$ 3,300	\$ 2,619	\$ 3,000
<b>TOTALS</b>	<b>\$134,000</b>	<b>\$117,958</b>	<b>\$134,500</b>
* Numbers projected for month of December			

# Elk Run Phase IV HOA

## Completed Projects in 2011

<b>Driveway Replacement Project</b>	<b>2011 Budget</b>	<b>2011 Actual</b>	
Concrete	\$ 45,000	\$ 37,783	
Grounds	\$ 5,000	\$ 3,877	
Total	\$ 50,000	\$ 41,660	
<b>Roof Replacement Project</b>	<b>* 2011 Budget</b>	<b>** 2011 Actual</b>	<b>**2012 Budget</b>
Roofing	\$ 34,000	\$ 53,350	\$ 62,000
Carpentry	\$ 6,000	\$ 13,693	\$ 14,000
Painting	\$ 17,500	\$ 50,627	\$ 38,000
Total	\$ 57,500	\$ 117,670	\$ 114,000
*Cost are for one building			
** Roofing costs are for two buildings			
** Painting and carpentry costs are for three buildings			
HOA schedule was to replace one roof, needed to replaced two roofs.			

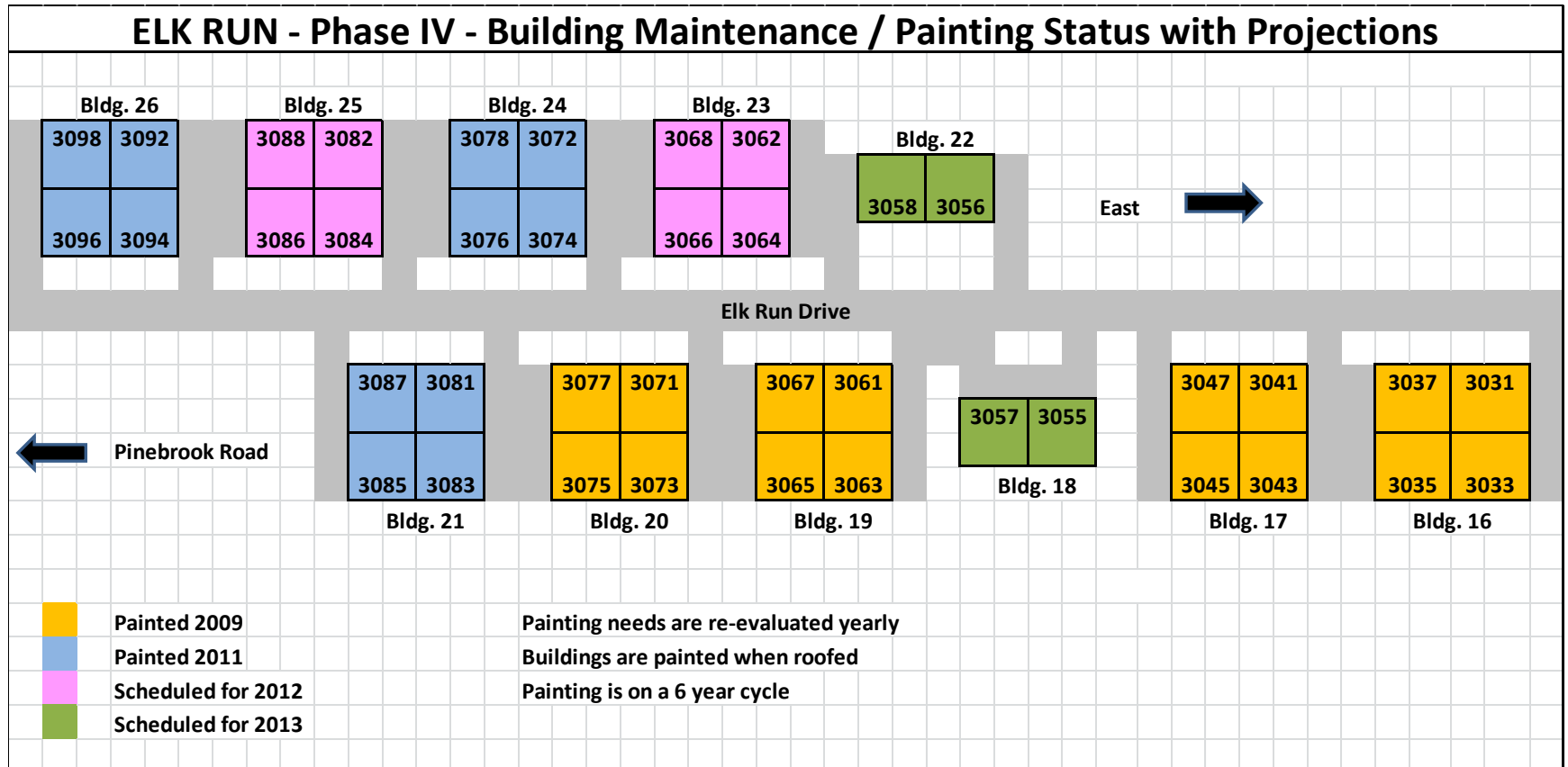
# Elk Run Phase IV HOA

## 2012 Plan, Budget and Projections

- Roof Replacement Plan
  - Continue Roof Replacements begun in 2006
  - Roofing Consultant
    - Inspected all remaining buildings with original roofs – August 2010
    - Received report and recommendations – September 2010
    - Remaining life expectancy projected to be 2 to 3 years
  - HOA Plan
    - Begin replacing roofs based on forced ranking of life expectancy
      - 2011 - Building 24, 26
      - 2012 - Buildings 23, 25
      - 2013 - Buildings, duplex 18, 22

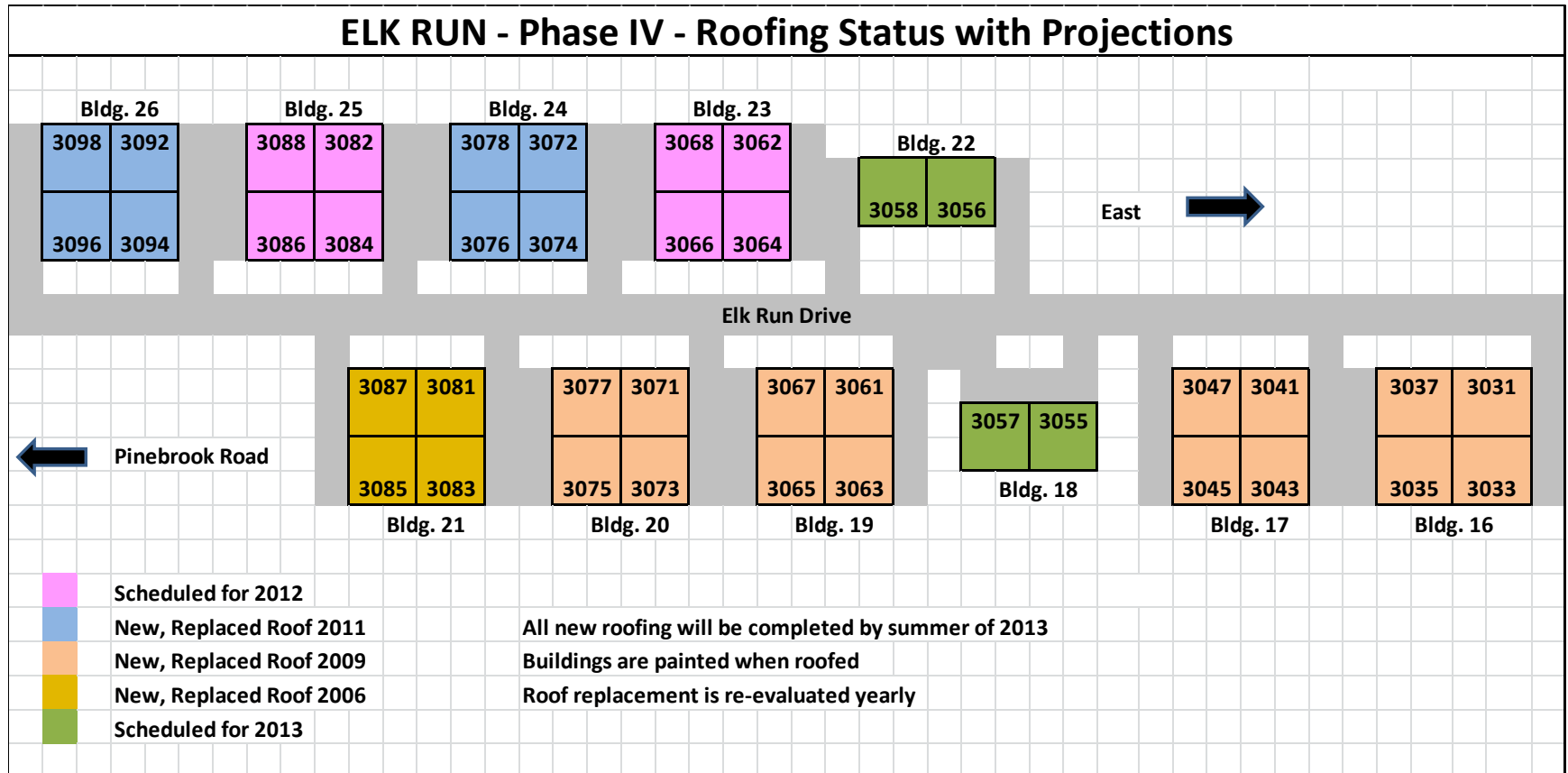
# Elk Run Phase IV HOA

## 2012 Plan, Budget and Projections



# Elk Run Phase IV HOA

## 2012 Plan, Budget and Projections



# Elk Run Phase IV HOA

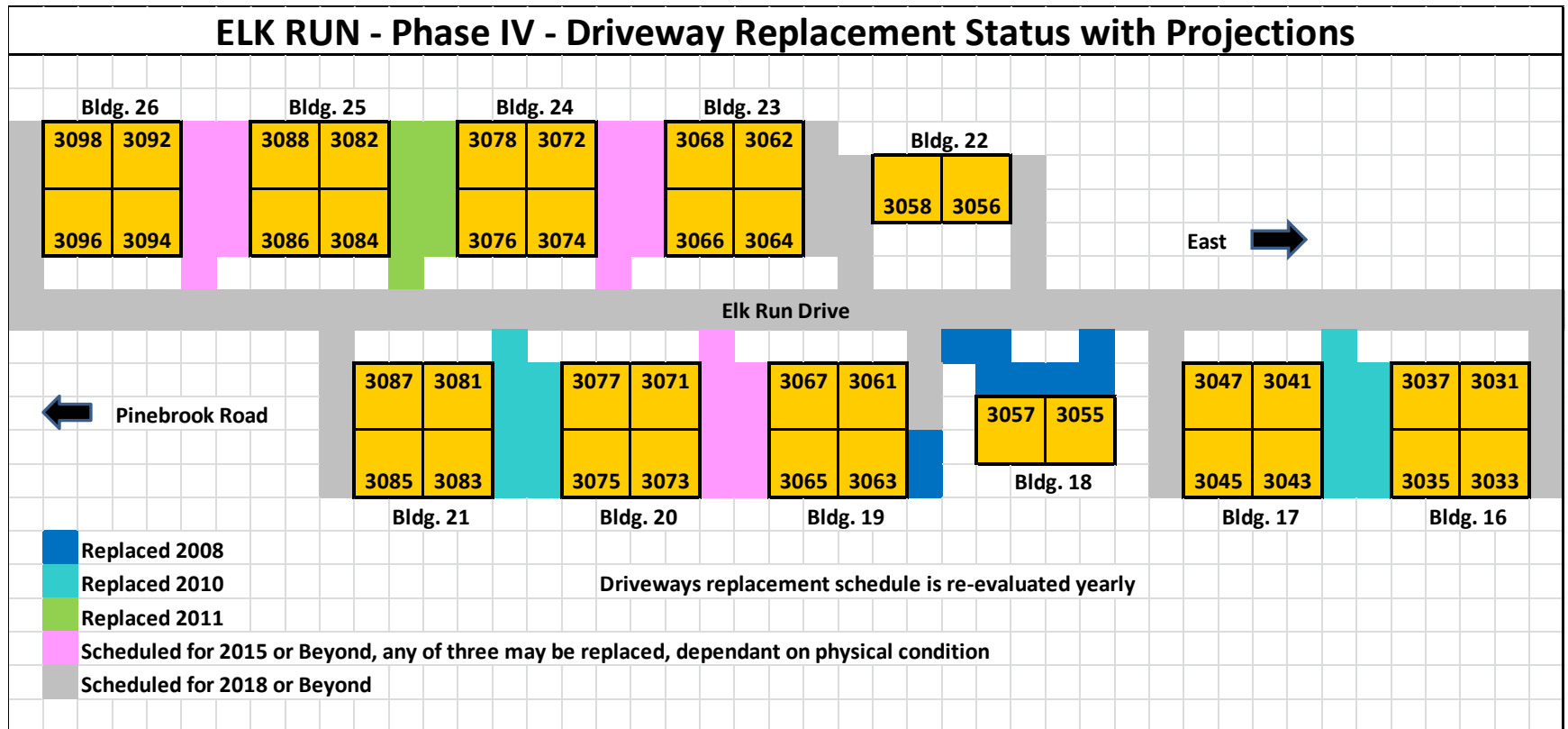
## 2011 Plan, Budget and Projections

- Driveway Replacement Plan
  - Continue Driveway Replacements begun in 2010
  - Driveway Consultation
    - Inspected all remaining driveways – July 2010
    - Received report and recommendations – September 2010
  - HOA Plan
    - Begin replacing driveway based on forced ranking of deterioration and funds availability
      - 2011 - Building 25
      - 2015 - Building 24
      - 2021 - Buildings 16
      - 2022 - Buildings 26



# Elk Run Phase IV HOA

## 2012 Plan, Budget and Projections



# Major Maintenance Cycles and Project Schedules

Bldg. #'s	Project	Year	Year	Year	Year	Year	Year	Year	Year	Year
		2012	2013	2014	2015	2016	2017	2018	2019	2020
16	Painting			\$ 19,000						\$ 19,000
Painted 2009	Carpentry			\$ 4,000						\$ 4,000
Roofed-2009	Roofing									
	Driveway							\$ 44,000		
17	Painting			\$ 19,000						\$ 19,000
Painted 2009	Carpentry			\$ 4,000						\$ 4,000
Roofed 2009	Roofing									
	Driveway									
18, Duplex	Painting		\$ 19,000						\$ 19,000	
Painted 2006	Carpentry		\$ 7,500						\$ 4,000	
	Roofing		\$ 32,000							
	Driveway									
19	Painting			\$ 19,000						\$ 19,000
Painted 2009	Carpentry			\$ 4,000						\$ 4,000
Roofed 2009	Roofing									
	Driveway					\$ 44,000				
20	Painting			\$ 19,000						\$ 19,000
Painted 2009	Carpentry			\$ 4,000						\$ 4,000
Roofed-2009	Roofing									
	Driveway									
21	Painting						\$ 19,000			
Painted 2011	Carpentry						\$ 4,000			
Roofed 2006	Roofing									
	Driveway									
22, Duplex	Painting		\$ 19,000						\$ 19,000	
Painted 2006	Carpentry		\$ 7,500						\$ 4,000	
	Roofing		\$ 32,000							
	Driveway									
23	Painting	\$ 19,000						\$ 19,000		
Painted 2006	Carpentry	\$ 7,000						\$ 4,000		
	Roofing	\$ 31,000								
	Driveway									
24	Painting						\$ 19,000			
Painted 2011	Carpentry						\$ 4,000			
Roofed 2011	Roofing									
	Driveway				\$ 44,000					
25	Painting	\$ 19,000						\$ 19,000		
Painted 2007	Carpentry	\$ 7,000						\$ 4,000		
	Roofing	\$ 31,000								
	Driveway				\$ 44,000					
26	Painting						\$ 19,000			
Painted 2011	Carpentry						\$ 4,000			
Roofed 2011	Roofing									
	Driveway									\$ 44,000
Total	Cost	\$ 114,000	\$ 117,000	\$ 92,000	\$ 88,000	\$ 44,000	\$ 69,000	\$ 90,000	\$ 46,000	#####

Painting includes garage and pedestrian doors on driveway level

All maintenance and projects are re-evaluated yearly

Selection of driveway replacement is dependent on physical condition

# Elk Run Phase IV HOA

## 2012 Plan, Budget and Projections

Budget Projections for 2012 & Beyond									
	2012	2013	2014	2015	2016	2017	2018	2019	2020
Residual Working Funds as of January 1	\$ 94,362	\$ 45,862	\$ 2,362	\$ 27,862	\$ 2,362	\$ 20,862	\$ 46,362	\$ 27,862	\$ 53,362
Yearly Income, Dues	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000
All Working Funds	\$ 254,362	\$ 205,862	\$ 162,362	\$ 187,862	\$ 162,362	\$ 180,862	\$ 206,362	\$ 187,862	\$ 213,362
Expenses									
Recurring General Expenses	\$ (134,500)	\$ (134,500)	\$ (134,500)	\$ (134,500)	\$ (134,500)	\$ (134,500)	\$ (134,500)	\$ (134,500)	\$ (134,500)
New Roof & Painting Building 18 Duplex		\$ (58,500)							
New Roof & Painting Building 22 Duplex		\$ (58,500)							
New Roof & Painting Building 23	\$ (57,000)								
New Roof & Painting Building 25	\$ (57,000)								
Driveway Replacement				\$ (88,000)	\$ (44,000)		\$ (44,000)		\$ (44,000)
Remaining Funds (Before Assessment)	\$ 5,862	\$ (45,638)	\$ 27,862	\$ (34,638)	\$ (16,138)	\$ 46,362	\$ 27,862	\$ 53,362	\$ 34,862
Funds From Special Assessment	\$ 40,000	\$ 48,000	\$ -	\$ 37,000	\$ 37,000	\$ -	\$ -	\$ -	\$ -
Residual Working Capital, December 31	\$ 45,862	\$ 2,362	\$ 27,862	\$ 2,362	\$ 20,862	\$ 46,362	\$ 27,862	\$ 53,362	\$ 34,862
Quarterly Dues at	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Special Assessment Needed	\$ 1,000	\$ 1,200	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -
Annual Dues + Special Assessment	\$ 5,000	\$ 5,200	\$ 4,000	\$ 5,000	\$ 5,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Building Major Maintenance Reserves	2012	2013	2014	2015	2016	2017	2018	2019	2020
Start of Year Balance	\$ -	\$ 42,000	\$ 84,000	\$ 34,000	\$ 76,000	\$ 118,000	\$ 91,000	\$ 87,000	\$ 83,000
Major Maintenance Building 16			\$ (23,000)						\$ (23,000)
Major Maintenance Building 17			\$ (23,000)						\$ (23,000)
Major Maintenance Building 18 Duplex								\$ (23,000)	
Major Maintenance Building 19			\$ (23,000)						\$ (23,000)
Major Maintenance Building 20			\$ (23,000)						\$ (23,000)
Major Maintenance Building 21						\$ (23,000)			
Major Maintenance Building 22 Duplex									
Major Maintenance Building 23							\$ (23,000)	\$ (23,000)	
Major Maintenance Building 24						\$ (23,000)			
Major Maintenance Building 25							\$ (23,000)		
Major Maintenance Building 26						\$ (23,000)			
Additional Reserves Contrabutions	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000
End of Year Balance	\$ 42,000	\$ 84,000	\$ 34,000	\$ 76,000	\$ 118,000	\$ 91,000	\$ 87,000	\$ 83,000	\$ 33,000

# Elk Run Phase IV HOA

## Annual Members Meeting 2011

### Dues and Assessment Payment Schedule for 2012

2012 Dues and Assessment Payment Schedule				
Payment	Due Date	Dues	Assessment	Payment Amount
1st. Qtr.	1-Jan	\$ 1,000	\$ -	\$ 1,000
2nd. Qtr	1-Apr	\$ 1,000	\$ 500	\$ 1,500
3rd. Qtr	1-Jul	\$ 1,000	\$ 500	\$ 1,500
4th. Qtr	1-Oct	\$ 1,000	\$ -	\$ 1,000
Totals		\$ 4,000	\$ 1,000	\$ 5,000

# Elk Run Phase IV HOA

## Annual Members Meeting 2011

### Board Meeting Schedule

- **Location:**
  - Contact a Board member for monthly meeting location
- **Time:**
  - 6:00 PM
  - Meetings are the last Monday of each month

**Note:**

All meetings are open and anyone is welcome to attend.

If you provide the Board your email address we can send you the monthly meeting minutes.

- **2012 Board Meeting Schedule**
  - Monday, January 30
  - Monday, February 27
  - Monday, March 26
  - Monday, April 30
  - Monday, May 28
  - Monday, June 25
  - Monday, July 30
  - Monday, August 27
  - Monday, September 24
  - Monday, October 29
  - November TBD
  - December TBD

# Elk Run Phase IV HOA

## 2012 Plan, Supplemental Slide – Not Presented at Annual Meeting

- These additional slides have been added to the presentation to address questions and comments that came up during the meeting and with individual unit owners after the meeting.

# Elk Run Phase IV HOA

## 2012 Plan, Supplemental Slide – Not Presented at Annual Meeting

### Current Building Color Paint Plan

Questions were asked at the Annual Meeting as to the Colors that the are to be Applied on Elk Run Phase IV Buildings.

- The Names of the Colors Selected for Each Building are Shown on the Next Slide

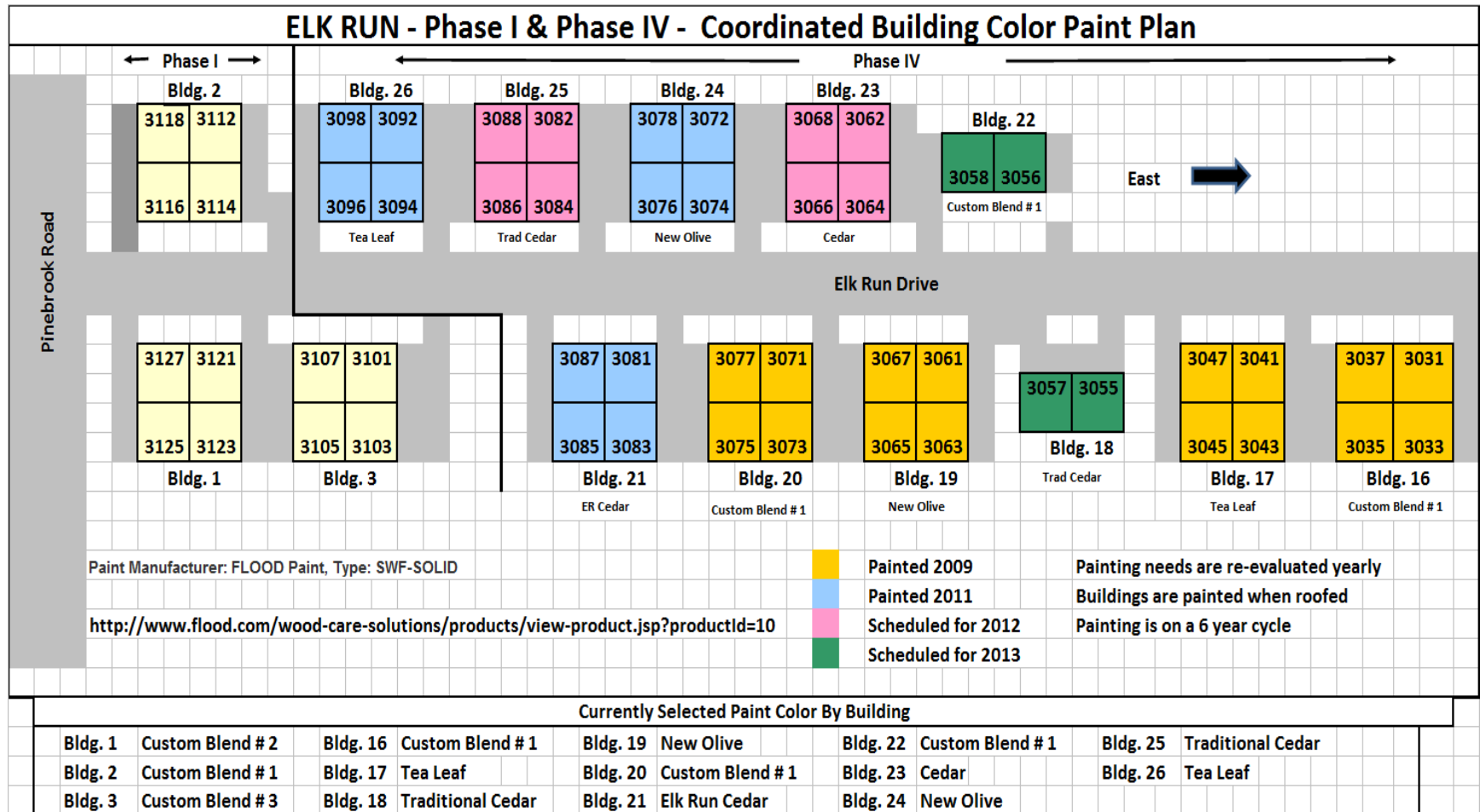
- 5 Colors have been selected and are shown on the next slide.
- Paint Colors are being coordinated with Elk Run I and 2 for neighborhood consistency
- Elk Run I & IV will continue to use paint manufactured by Flood – Type: SFW – Solid
- Flood Colors with the exception of custom colors
- Buildings will be painted per the schedule presented at the annual meeting.
- Buildings will be painted per the colors shown on the following slide.

- If Unit Owners Would wish to Modify the Colors From Those Selected for their building, they will need to follow the same, including additional steps that were used to pick the current colors.

- Must attend Board meetings to discuss plans and present updates.
- Select colors from paints manufactured by Flood – Type: SFW – Solid
  - <http://www.flood.com/wood-care-solutions/products/view-product.jsp?productId=10>
- Obtain sample paint colors and trims at unit owners expense.
- Paint areas of their building
  - In two locations: sun and shade
  - 6 sq. ft. for each color and trim selected in a contiguous manner in each location .
- Obtain agreement of all unit owners in your building for the color and trim selected.
- Obtain agreement of the HOA board for the color and trim selected.

# Elk Run Phase IV HOA

## 2012 Plan, Supplemental Slide – Not Presented at Annual Meeting Current Building Color Paint Plan





# Elk Run Phase IV HOA

## 2012 Plan, Supplemental Slide – Not Presented at Annual Meeting Driveway Replacement – Possible Plans and Projected Costs

- The Driveway Replacement Plan was presented at the Annual Meeting.
  - It is in the main presentation
- A number of questions came up during and in individual conversations after the meeting.
  - The comments did not question which driveways were selected for replacement.
  - The comments centered on including additional driveways, not included in the presented plan.
  - The commenter's asked that the driveways be replaced on an accelerated basis.
- In order to address these changes to the current plan we need to address the scope and total going forward costs of the driveway replacement plan.
- The second slide in the driveway replacement series guessimates the total cost of replacing all remaining driveways.
  - The least reliable value used in the guessimate is the square footage of each remaining driveway.
    - They were not physically measured, only approximated. SWAG.
    - Table would be recalculated and surface areas physically measured if project were to proceed.
  - The all in per square footage cost from the 2011 driveway replacement was used as the basis cost.
    - This includes: Concrete removal and replacement, landscape restoration, sprinkler restoration, and project management costs.
    - The all in cost per square foot was \$9.92 and was rounded to \$10.00 for ease of calculation.
  - Shows the current recurring costs associated with maintaining a sealant on the new drives.
  - Shows an alternate sealing pathway using a commercial vendor, and a cost comparison.

# Elk Run Phase IV HOA

## 2012 Plan, Supplemental Slide – Not Presented at Annual Meeting Driveway Replacement – Possible Plans and Projected Costs

Estimated and Actual Driveway Installation and Maintenance Costs							
Driveway Between Buildings		Estimated Sq. Ft <sup>7</sup>	Actual Replacement Costs	Estimated Replacement Costs	Sealing Costs at \$0.75 per sq. ft. <sup>1</sup>	Sealing Costs Actual <sup>2</sup>	Actual <sup>3</sup> / Estimated <sup>4</sup> Installation Costs
Phase 1	Bldg. 26	3,200		\$32,000	\$2,400		\$10
Bldg. 26	Bldg. 25	4,200		\$42,000	\$3,150		\$10
Bldg. 25	Bldg. 24	4,200	\$41,660		\$3,150	<sup>6</sup>	\$9.92
Bldg. 24	Bldg. 23	4,200		\$42,000	\$3,150		\$10
Bldg. 23	Bldg. 22	3,500		\$35,000	\$2,625		\$10
Bldg. 22	Phase 3	2,500		\$25,000	\$1,875	<sup>5</sup>	\$10
Phase 1	Bldg. 21	1,800		\$18,000	\$1,350	<sup>5</sup>	\$10
Bldg. 21	Bldg. 20	4,400	\$38,000		\$3,300	<sup>5</sup>	\$10
Bldg. 20	Bldg. 19	4,400		\$44,000	\$3,300		\$10
Bldg. 18	Bldg. 18	2,680	\$23,025		\$2,010	<sup>5</sup>	\$10
Bldg. 19	Bldg. 18	2,000		\$20,000	\$1,500		\$10
Bldg. 18	Bldg. 17	2,000		\$20,000	\$1,500		\$10
Bldg. 17	Bldg. 16	4,350	\$38,000		\$3,263	<sup>5</sup>	\$10
Bldg. 16	Phase 3	3,900		\$39,000	\$2,925		\$10
Totals		47,330	\$140,685	\$317,000		\$5,176	
1 Quoted Sealer Costs (Labor and Materials) from two commercial vendors							
2 Aggregate Sealer Costs (Labor and Materials) for 5 drives, HOA Self Managed							
3 Actual Installation Costs - Includes Concrete, Re-Landscaping, Sprinkler Replace, and Proj. Man.							
4 Estimated Installation Costs - Includes Concrete, Re-Landscaping, Sprinkler Replace, and Proj. Man.							
5 Driveways that were resealed in 2011, New Drive sealed first year by contractor							
6 Drive Installed in 2011, Sealed by contractor							
7 Driveway Surface Area is a Guessimate as of 12-4-2011							

# Elk Run Phase IV HOA

## 2012 Plan, Supplemental Slide – Not Presented at Annual Meeting Driveway Replacement – Possible Plans and Projected Costs

- The previous slide shows that the cost of replacing all remaining driveways is approximately \$317,000. It is rounded up in the next slides to \$320,000 for ease of calculation.
  - This is intended as a first order approximation and does not consider the impact of timing on the cost of materials, labor, etc.
- The following second slide shows the annual cost per unit of replacing all driveways for various time periods.
  - Time periods for project completion vary from 4 to 8 years. A detail is shown below.

Future Driveway Replacement Costs	Unit Cost per Year
<b>Additional Unit Owner Contributions</b>	
4 Years to Complete Project	\$2,000
5 Years to Complete Project	\$1,600
6 Years to Complete Project	\$1,333
7 Years to Complete Project	\$1,143
8 Years to Complete Project	\$1,000

# Elk Run Phase IV HOA

## 2012 Plan, Supplemental Slide – Not Presented at Annual Meeting Driveway Replacement – Possible Plans and Projected Costs

- The following slide shows approximate annual aggregate costs associated with the HOA dues over the period from 2012 to 2020 for completion of the re-roofing and driveway replacement projects. The base case budget was presented at the annual meeting, and is in the original presentation under the heading – Budget Projections for 2012 & Beyond.
- Details of two possible all in payment schedules are shown below.

Annual EK Phase 4 Dues for 2012 & Beyond: Base, Roofing, and Driveway (4 Years )									
	2012	2013	2014	2015	2016	2017	2018	2019	2020
Quarterly Dues at	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Special Assessment Roofing	\$ 1,000	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessment Driveway		\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000				
Annual Dues + Special Assessment	\$ 5,000	\$ 7,200	\$ 6,000	\$ 6,000	\$ 6,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
									\$ 46,200

Annual EK Phase 4 Dues for 2012 & Beyond: Base, Roofing, and Driveway (8 Years)									
	2012	2013	2014	2015	2016	2017	2018	2019	2020
Quarterly Dues at	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Special Assessment Roofing	\$ 1,000	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessment Driveway		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Annual Dues + Special Assessment	\$ 5,000	\$ 6,200	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
									\$ 46,200

- It should be noted that this is not presented as an endorsement of the outlined plan, but only so that unit owners can understand the magnitude of the project costs and the potential impact to the individual owner. We look forward to hearing if this changes your thoughts, once the total cost impact is understood.

# Elk Run Phase IV HOA

## 2012 Plan, Supplemental Slide – Not Presented at Annual Meeting Driveway Replacement – Projected Maintenance Costs

- Elk Run IV HOA has made and is making a significant investment in replacing deteriorating driveways.
- In order to protect this investment the HOA will continue to seal the new driveways and those driveways that are not showing deterioration.
- The driveway sealing costs will become a new recurring expense.
- The Table below shows the comparative costs associated with sealing the five driveways in 2011.
  - The fourth column shows the cost of sealing these driveways with a commercial vendor - \$11,798.
  - The fifth column shows the actual cost for sealing these driveways by HOA self management - \$5,176.
  - Self management costs for this sealing are 44% that of using a commercial vendor.
  - The decision was based on the following and others. Link: [http://www.mightyseal.com/concrete\\_sealer\\_types.html](http://www.mightyseal.com/concrete_sealer_types.html)
  - The choice made was for Seal Green, a siliconate sealer. Link: <http://sealgreen.com/concrete-sealer.aspx>

Comparative Driveway Maintenance Costs				
Driveway Between Buildings		Estimated Sq. Ft	Sealing Costs at \$0.75 per sq. ft. <sup>1</sup>	Sealing Costs Actual <sup>2</sup>
Bldg. 22	Phase 3	2,500	\$1,875	5
Phase 1	Bldg. 21	1,800	\$1,350	5
Bldg. 21	Bldg. 20	4,400	\$3,300	5
Bldg. 18	Bldg. 18	2,680	\$2,010	5
Bldg. 17	Bldg. 16	4,350	\$3,263	5
<b>Totals</b>		<b>15,730</b>	<b>\$11,798</b>	<b>\$5,176</b>

1. Quoted Sealer Costs (Labor and Materials) from two commercial vendors
2. Aggregate Sealer Costs (Labor and Materials) for 5 drives, HOA Self Managed
5. Driveways that were resealed in 2011, New Drive sealed first year by contractor

# Elk Run Phase IV HOA

## 2012 Plan, Supplemental Slide – Not Presented at Annual Meeting Driveway Replacement – Possible Plans and Projected Costs

Elk Run Phase 4 Driveway Replacement Costs as a Function of Years to Full Completion and Annual Assessment												
Future Driveway Replacement Costs	2012	2013	2014	2015	2016	2017	2018	2019	2020	Unit Cost per Year	Total Cost per Year	Total Project Cost
Additional Unit Owner Contributions												\$320,000
4 Years to Complete Project		\$2,000	\$2,000	\$2,000	\$2,000					\$2,000	\$80,000	
5 Years to Complete Project		\$1,600	\$1,600	\$1,600	\$1,600	\$1,600				\$1,600	\$64,000	
6 Years to Complete Project		\$1,333	\$1,333	\$1,333	\$1,333	\$1,333	\$1,333			\$1,333	\$53,333	
7 Years to Complete Project		\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143		\$1,143	\$45,714	
8 Years to Complete Project		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$40,000	
Annual EK Phase 4 Dues for 2012 & Beyond: Base, Roofing, and Driveway (4 Years )												
	2012	2013	2014	2015	2016	2017	2018	2019	2020			
Quarterly Dues at	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000			
Special Assessment Roofing	\$ 1,000	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Special Assessment Driveway		\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000							
Annual Dues + Special Assessment	\$ 5,000	\$ 7,200	\$ 6,000	\$ 6,000	\$ 6,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 46,200		
Annual EK Phase 4 Dues for 2012 & Beyond: Base, Roofing, and Driveway (8 Years)												
	2012	2013	2014	2015	2016	2017	2018	2019	2020			
Quarterly Dues at	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000			
Special Assessment Roofing	\$ 1,000	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Special Assessment Driveway		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000			
Annual Dues + Special Assessment	\$ 5,000	\$ 6,200	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 46,200		