

PPFPOA Board Meeting – 9/12/19 – 9:30 am

- **In Attendance**

 - Board

 - Harvey Adler

 - Becky Dodrill

 - Patrick Kelly

 - Jennifer Peyton

- **Treasurer's Report**

Over 99% of assessments have been collected. A small balance remains from a couple of owners making payments. A review of year-to-date budget shows \$9,381 left in available funds. Board discussed transferring any unspent funds at year end back to reserve.

- **Roads Report**

Becky reported that she has been unable to get a bid from Emory Asphalt for resurfacing costs. We still need to formulate a long-term roads plan.

Chan contacted Becky regarding using an herbicide on sections of gravel roads where some vegetation is beginning to encroach into the roadbed. We need to clarify which sections, but the Board felt it was appropriate to proceed.

Harv reported that Falcon Road landslide repair appear to be holding up nicely with vegetation filling in the hillside.

He also reported that the culvert repair below Taylor's Curve has been completed. We are going to let the roadbed material continue to compact & that section will be repaved in the Spring. Quote from Pisgah Asphalt for the remaining work is \$3745. The road will need to be closed for about three hours to complete the work. Board will provide notice to residents when the work has been scheduled.

Harv expressed concerns regarding a section of the backside of PFD where there has been some erosion on the low side of the road. (A few Board members accompanied Harv to the site after the meeting to see where the erosion has taken place and to discuss possible remediation.)

- **Covenant Issues**

Covenant violation letters have been finalized and are being sent out to the two property owners cited.

The Board discussed short-term rentals and whether they constituted commercial use of a property. Majority of members felt short-term rentals did not constitute commercial use and no action was taken.

- **Other Business**

The Board discussed multiple options for replenishing reserve funds and much-needed road resurfacing. Options included a one-time assessment as well as a long-term financial plan (through 2027). The eight-year plan would allow for resurfacing of all roads in the community as well as replenishment of reserve funds and would require 10% annual increases for each of the next 8 years.

The Board discussed the need to identify candidates to replace outgoing Board members. A few names were discussed, but no specific candidates were identified. Any community members interested in serving on the Board should contact the Board at pffpoa@gmail.com.

Next meeting is scheduled for 10/16/19 a 9:00 AM.

Meeting was adjourned at 11:00 AM.

**Pisgah Forest Farms Property Owners Association
2019 Budget**

31-Aug-19

<u>Line</u>		Beginning Balance 12/31/18 - \$79,293.37		
		<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
1	ADMINISTRATIVE EXPENSES			
2	Association Meetings	\$ 150	\$ 100	\$ 50
3	Attorney - Legal	\$ 200	\$ -	-
4	Beautification	\$ 100	\$ 97	\$ 3
5	Insurance	\$ 1,000	\$ 972	\$ 28
6	State / Federal Tax	\$ 175	\$ 301	\$ (126)
7	Office Supplies & Expenses	\$ 150	\$ 85	\$ 65
8	Sub-Total	\$ 1,775	\$ 1,555	\$ 20
9	ROAD EXPENSES			
10	Gravel Road Maintenance	\$ 10,000	\$ 14,542	\$ (4,542)
11	Paved Road Maintenance	\$ 2,500	\$ 27,975	\$ (25,475)
12	Paved Road Resurfacing	\$ 10,000	\$ -	\$ 10,000
13	Snow Removal	\$ 4,050	\$ 1,680	\$ 2,370
14	Tree Removal	\$ 500	\$ 900	\$ (400)
15	Sub-Total	\$ 27,050	\$ 45,097	\$ (18,047)
16	MAINTENANCE MANAGER	\$ 28,200	\$ 18,800	\$ 9,400
17	Material Expenses	\$ 2,500	\$ -	\$ 2,500
	Sub-Total	\$ 30,700	\$ 18,800	\$ 11,900
18	FIREWISE COMMITTEE	\$ 2,100	\$ 8,580	\$ (6,480)
19	EMERGENCY / CONTINGENCY	\$ 2,500	\$ -	\$ 2,500
20	TOTAL EXPENSES	\$ 64,125	\$ 74,032	\$ (10,107)
21	ASSESSMENT INCOME	\$ 55,545	\$ 55,250	\$ (295)
	Approved spending from 2018	\$ 9,293	\$ 9,293	
	Estimated emergency spending approved		\$ 35,000	
	TOTAL SPENDABLE AMOUNT	\$ 64,838	\$ 25,806	
	Amt available to spend		\$ 9,381	
22	INTEREST INCOME	\$ 600	\$ 826	\$ 226
23	IMPACT FEES	\$0	\$2,500	
24	2018 CARRYOVER BALANCE	\$ 79,293	\$ 79,293	
25	TOTAL INCOME	\$ 56,145	\$ 58,576	\$ 2,431
26	TOTAL EXPENSES	\$ 64,125	\$ 74,032	\$ (9,907)
	Transfer from Duke		\$ 35,000	
27	PROJECTED YEAR-END BALANCE	\$ 71,313	\$ 63,837	\$ (7,476)
28	ACTUAL BALANCES - CHECKING	\$ 26,387.99	\$ 45,120.70	
	- SAVINGS	\$ 601.22	\$ 601.34	
	- DUKE	\$ 52,304.16	\$ 18,114.97	
		\$ 79,293.37	\$ 63,837.01	

**Pisgah Forest Farms Property Owners Association
Long Term Financial Plan**

Line	Chan's contract ends										5-YR Svgs Plan*	2019 Estimate Comments	Projection Comments
	2019 BUDGET	2019 ESTIMATE	2020 Projection	2021 Projection	2022 Projection	2023 Projection	2024 Projection	2025 Projection	2026 Projection	2027 Projection	Steady-State		
1	ADMINISTRATIVE EXPENSES												
2	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 200		flat
3	\$ 200	\$ 200											n/a?
4	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 200		flat
5	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,150	\$ 1,150	\$ 1,250		+3% YOY
6	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 200		flat
7	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 200		flat
8	Sub-Total	\$ 1,775	\$ 1,775	\$ 1,575	\$ 1,605	\$ 1,636	\$ 1,668	\$ 1,701	\$ 1,734	\$ 1,725	\$ 2,050		Assume at budget
9	ROAD EXPENSES												
10	\$ 10,000	\$ 14,542	\$ 2,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 25,000	\$ -	\$ 5,000		redo all '24
11	\$ 2,500	\$ 27,975		\$ 5,000	\$ 5,000								
12	\$ 10,000	\$ -	\$ 10,000	\$ 10,000	\$ 20,000	\$ 30,000	\$ 40,000	\$ 20,000	\$ 60,000	\$ 40,000	\$ 40,000		all done by '25
13	\$ 4,050	\$ 3,680	\$ 4,050	\$ 4,050	\$ 4,050	\$ 4,172	\$ 4,297	\$ 4,426	\$ 4,025	\$ 4,025	\$ 7,500		+3% YOY
14	\$ 500	\$ 900	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500		flat
15	Sub-Total	\$ 27,050	\$ 47,097	\$ 16,550	\$ 22,050	\$ 32,050	\$ 37,172	\$ 47,297	\$ 49,926	\$ 64,525	\$ 53,000		8/31 YTD Act +\$2K snow removal
16	\$ 28,200	\$ 28,200	\$ 28,200	\$ 28,200	\$ 28,200	\$ 29,610	\$ 31,091	\$ 32,645	\$ 34,277	\$ 45,000	\$ 45,000		+5% YOY
17	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,575	\$ 2,652	\$ 2,732	\$ 2,814	\$ 2,898	\$ 2,700	\$ 5,000	\$ 5,000		+3% YOY
	Sub-Total	\$ 30,700	\$ 30,700	\$ 30,700	\$ 30,775	\$ 30,852	\$ 32,342	\$ 33,904	\$ 35,543	\$ 36,977	\$ 50,000		Assume at budget
18	\$ 2,100	\$ 8,580	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 5,000		flat
19	\$ 2,500	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 5,000		flat
20	TOTAL EXPENSES	\$ 64,125	\$ 88,152	\$ 53,825	\$ 59,430	\$ 69,538	\$ 76,181	\$ 87,901	\$ 92,203	\$ 108,227	\$ 115,050		
21	\$ 55,545	\$ 55,545	\$ 61,100	\$ 67,209	\$ 73,930	\$ 81,323	\$ 89,456	\$ 98,401	\$ 108,241	\$ 119,066	\$ 119,066		+10% YOY
22	\$ 9,293	\$ 9,293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
23	Est. emergency spending approved												
24	TOTAL SPENDABLE AMOUNT	\$ 64,838	\$ 64,838	\$ 61,100	\$ 67,209	\$ 73,930	\$ 81,323	\$ 89,456	\$ 98,401	\$ 108,241	\$ 119,066		
25	\$ 600	\$ 1,000	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500		8/31/19 YTD Actuals \$826
26	\$0	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		flat @ \$500
27	\$ 79,293	\$ 71,313	\$ 42,206	\$ 49,981	\$ 58,260	\$ 63,152	\$ 68,795	\$ 70,849	\$ 77,547	\$ 78,061	\$ 78,061		
28	\$ 56,145	\$ 59,045	\$ 61,600	\$ 67,709	\$ 74,430	\$ 81,823	\$ 89,956	\$ 98,901	\$ 108,741	\$ 119,566	\$ 119,566		
29	TOTAL EXPENSES	\$ 64,125	\$ 88,152	\$ 53,825	\$ 59,430	\$ 69,538	\$ 76,181	\$ 87,901	\$ 92,203	\$ 108,227	\$ 115,050		
30	\$ 713	\$ (23,314)	\$ 7,275	\$ 7,779	\$ 4,392	\$ 5,142	\$ 1,554	\$ 6,198	\$ 14	\$ 4,016	\$ 4,016		
31	PROJECTED YEAR-END BALANCE	\$ 71,313	\$ 42,206	\$ 49,981	\$ 58,260	\$ 63,152	\$ 68,795	\$ 70,849	\$ 77,547	\$ 78,061	\$ 82,577		
32	ACTUAL BALANCES - CHECKING	\$26,388											
	- SAVINGS	\$601											
	- DUKE	\$52,304											
		\$79,293											
33	HOA Dues	Lot	\$201.25	\$201.25	\$221.38	\$243.51	\$267.86	\$294.65	\$324.12	\$356.53	\$392.18	\$431.40	change by 2027
		Home	\$603.75	\$603.75	\$664.13	\$730.54	\$803.59	\$883.95	\$972.35	\$1,069.58	\$1,176.54	\$1,294.19	\$35.95 HOA per month
													\$230.15 114%
													\$107.85 HOA per month
													\$690.44 114%

3.8 miles paved roads resurfaced by 2026 with this plan
* Assumes \$200K & \$25K saved for road maintenance over a 5-year period = \$225K saved every 5 years towards road maintenance