

PPFPOA Board Meeting – 10/16/19 – 9:00 am

- **In Attendance**

- Board

- Harvey Adler

- Becky Dodrill

- Barb Harrah

- Jennifer Peyton

- Patrick Kelly (via phone)

- **Treasurer's Report**

We have collected about 99.5% of Assessment Revenues. There are a few installment payments left and one lien. The notification of lien on one owner's property was returned to us as "addressee unknown" with no forwarding information. Their phone line was disconnected and a web search has proved fruitless.

There have been a few recent sales in the community. The T. Adams home was sold to Cashwell and Sandelin and the Fairo home was sold to Carr and Maynard. We have no contact info for the latter owners.

A year-to-date budget is attached for review.

- **Roads Report**

Chan has provided an estimate of \$2800 to redirect drainage flow on back side of PFD near the pond. During heavy rains there has been some erosion of the bank below the road. Redirecting the flow so that water does not flow parallel with the road should reduce or eliminate further erosion. The Board decided to move forward with this but needs to get permission from the property owner before work can commence. Harv will contact the property owner to obtain permission. (Note: Permission was obtained from owner subsequent to the Board meeting.)

Leaf removal will begin once all the leaves are off the trees. This appears to be a late Autumn.

Becky reported that she still has been unable to get a return call from Emery Asphalt regarding obtaining quotes for road resurfacing.

- **Long-term Financial Plan**

Long-term plan has been revised to have annual increase % decreasing over time in 2-year intervals – 15%, 10%, 5%.

This plan includes the following:

- Projected YE balance for 2021 to \$77K – so we will replenish our reserves & then some within 2 years.
- All gravel roads redone in 2025
- 4 miles of roads resurfaced by 2026
- Steady-state fee assessment income plan beginning in 2027 which allows for \$200K & \$30K to be saved every 6 years for paved road & gravel road maintenance + increased \$\$ for maintenance manager & many other expense categories.

The Board decided there should be urgency in replenishing reserves that were utilized for the culvert replacement on PFD this year. More funds will be allocated toward reserve funds in the first few years of the plan. Barb will use Year 1 of the Plan to draft the preliminary 2020 budget.

- **Annual Meeting**

Annual Meeting is scheduled for December 7th. The Little River Community Center has been reserved.

Meeting notice and ballots/proxies will be mailed out to residents at beginning of November. Board discussed the need to revise ballot cards to allow for unplanned votes, as occurred in last year's meeting. We will have one ballot for Board positions that includes the proxy and a second ballot for multiple issues that might arise during the meeting.

Two Board terms are ending this year: Becky Dodrill will be on the ballot for another term, but Barb Harrah is not seeking another term. We are still looking for candidates. Anyone intertest in serving can contact the Board at pffpoa@gmail.com

Patrick will ask Ed to post a notice for the Annual Meeting on the PFFPOA website.

Next meeting scheduled for November 20th at 9:30 am.

Adjourned at 9:55 am

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

<u>Line</u>		30-Sep-19 Beginning Balance 12/31/18 - \$79,293.37		
		<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIATION</u>
1	ADMINISTRATIVE EXPENSES			
2	Association Meetings	\$ 150	\$ 100.00	\$ 50.00
3	Attorney - Legal	\$ 200	\$ -	-
4	Beautification	\$ 100	\$ 97.04	\$ 2.96
5	Insurance	\$ 1,000	\$ 972.00	\$ 28.00
6	State / Federal Tax	\$ 175	\$ 301.00	\$ (126.00)
7	Office Supplies & Expenses	\$ 150	\$ 85.00	\$ 65.00
8	Sub-Total	\$ 1,775	\$ 1,555.04	\$ 19.96
9	ROAD EXPENSES			
10	Gravel Road Maintenance	\$ 10,000	\$ 14,542.00	\$ (4,542.00)
11	Paved Road Maintenance	\$ 2,500	\$ 27,975.00	\$ (25,475.00)
12	Paved Road Resurfacing	\$ 10,000	\$ -	\$ 10,000.00
13	Snow Removal	\$ 4,050	\$ 1,680.00	\$ 2,370.00
14	Tree Removal	\$ 500	\$ 900.00	\$ (400.00)
15	Sub-Total	\$ 27,050	\$ 45,097.00	\$ (18,047.00)
16	MAINTENANCE MANAGER	\$ 28,200	\$ 21,150.00	\$ 7,050.00
17	Material Expenses	\$ 2,500	\$ -	\$ 2,500.00
	Sub-Total	\$ 30,700	\$ 21,150.00	\$ 9,550.00
18	FIREWISE COMMITTEE	\$ 2,100	\$ 8,580.00	\$ (6,480.00)
19	EMERGENCY / CONTINGENCY	\$ 2,500	\$ 410.00	\$ 2,090.00
20	TOTAL EXPENSES	\$ 64,125	\$ 76,792.04	-\$12,867.04
21	ASSESSMENT INCOME	\$ 55,545	\$ 55,417.46	(\$127.54)
	Approved spending from 2018	\$ 9,293	\$ 9,293.00	
	Estimted emergency spending approved		\$ 35,000.00	
	TOTAL SPENDABLE AMOUNT	\$ 64,838	\$ 23,045.96	
	Amt available to spend		\$ 15,995.96	
22	INTEREST INCOME	\$ 600	\$ 864.45	\$ 264.45
23	IMPACT FEES	\$ 0	\$ 2,500.00	
24	2018 CARRYOVER BALANCE	\$ 79,293	\$ 79,293.37	
25	TOTAL INCOME	\$ 56,145	\$ 58,781.91	\$ 2,636.91
26	TOTAL EXPENSES	\$ 64,125	\$ 76,792.04	\$ (12,667.04)
	Transfer from Duke		\$ 35,000.00	
27	PROJECTED YEAR-END BALANCE	\$ 71,313	\$ 61,283.24	(\$10,029.76)
28	ACTUAL BALANCES - CHECKING	\$26,387.99	\$ 42,528.41	
	- SAVINGS	\$601.22	\$ 601.36	
	- DUKE	\$52,304.16	\$18,153.47	
		\$79,293.37	\$61,283.24	

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

Line	Chan's contract ends										6-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	\$ 150		flat	
3	\$ 200	\$ 100											n/a?	
4	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100		flat	
5	\$ 1,000	\$ 972	\$ 972	\$ 1,001	\$ 1,031	\$ 1,062	\$ 1,094	\$ 1,127	\$ 1,150	\$ 1,150	\$ 1,150		+3% YOY	
6	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175		flat	
7	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150		flat	
8	\$ 1,775	\$ 1,647	\$ 1,547	\$ 1,576	\$ 1,606	\$ 1,637	\$ 1,669	\$ 1,702	\$ 1,725	\$ 1,725	\$ 1,800		Assume at budget	
9	ROAD EXPENSES													
10	\$ 10,000	\$ 14,542	\$ 2,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 25,000	\$ -	\$ -	\$ 5,000		redo all '25	
11	\$ 2,500	\$ 30,775	\$ 3,745	\$ 5,000	\$ 5,000						\$ 2,500			
12	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ 30,000	\$ 40,000	\$ 45,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 33,333		all done by '26	
13	\$ 4,050	\$ 3,680	\$ 4,050	\$ 4,050	\$ 4,050	\$ 4,172	\$ 4,297	\$ 4,426	\$ 4,025	\$ 4,025	\$ 5,000		+3% YOY	
14	\$ 500	\$ 900	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500		flat	
15	\$ 27,050	\$ 49,897	\$ 10,295	\$ 22,050	\$ 42,050	\$ 47,172	\$ 52,297	\$ 54,926	\$ 54,525	\$ 54,525	\$ 46,333		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	\$ 34,277	\$ 45,000		+5% YOY	
17	\$ 2,500	\$ -	\$ 2,500	\$ 2,575	\$ 2,652	\$ 2,732	\$ 2,814	\$ 2,898	\$ 2,700	\$ 2,700	\$ 4,000		+3% YOY	
	\$ 30,700	\$ 28,200	\$ 30,700	\$ 30,775	\$ 30,852	\$ 32,342	\$ 33,904	\$ 35,543	\$ 36,977	\$ 36,977	\$ 49,000		Assume at budget	
18	\$ 2,100	\$ 8,580	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 3,250		flat	
19	\$ 2,500	\$ 410	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500		flat	
20		\$ 3,745	\$ 19,849	\$ 13,791										
21	\$ 64,125	\$ 92,479	\$ 67,391	\$ 73,192	\$ 79,508	\$ 86,150	\$ 92,870	\$ 97,171	\$ 98,227	\$ 98,227	\$ 102,883			
22	\$ 55,545	\$ 55,344	\$ 63,877	\$ 73,458	\$ 80,804	\$ 88,884	\$ 93,329	\$ 97,995	\$ 102,895	\$ 102,895	\$ 102,895		+10% YOY	
23	\$ 9,293	\$ 9,293	\$ 3,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
25	\$ 64,838	\$ 64,637	\$ 67,622	\$ 73,458	\$ 80,804	\$ 88,884	\$ 93,329	\$ 97,995	\$ 102,895	\$ 102,895	\$ 102,895			
26	\$ 600	\$ 1,000	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500		8/31/19 YTD Actuals \$826	
27	\$ 0	\$ 2,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		flat @ \$500	
28	\$ 79,293	\$ 79,293	\$ 45,658	\$ 62,493	\$ 77,050	\$ 78,845	\$ 82,080	\$ 83,038	\$ 84,363	\$ 84,363	\$ 89,531			
29	\$ 56,145	\$ 58,844	\$ 64,377	\$ 73,958	\$ 81,304	\$ 89,384	\$ 93,829	\$ 98,495	\$ 103,395	\$ 103,395	\$ 103,395			
30	\$ 64,125	\$ 92,479	\$ 67,391	\$ 73,192	\$ 79,508	\$ 86,150	\$ 92,870	\$ 97,171	\$ 98,227	\$ 98,227	\$ 102,883			
31	\$ 713	\$ (27,842)	\$ 231.15	\$ 266	\$ 1,296	\$ 2,734	\$ 459	\$ 825	\$ 4,668	\$ 4,668	\$ 12			
32	\$ 71,313	\$ 45,658	\$ 62,493	\$ 77,050	\$ 78,845	\$ 82,080	\$ 83,038	\$ 84,363	\$ 89,531	\$ 89,531	\$ 90,042			
33	\$26,388													
	- SAVINGS	\$601												
	- DUKE	\$52,304												
		\$79,293												
	HOA Dues Increase		15%	15%	10%	10%	5%	5%	5%	0%			change by 2027	
33	HOA Dues	Lot	\$201.25	\$201.25	\$221.38	\$243.51	\$267.86	\$294.65	\$324.12	\$356.53	\$392.18	\$431.40	\$35.95	HOA per month
		Home	\$603.75	\$603.75	\$664.13	\$730.54	\$803.59	\$883.95	\$972.35	\$1,069.58	\$1,176.54	\$1,294.19	\$107.85	HOA per month

4.0 miles paved roads resurfaced by 2026 with this plan

* Assumes \$200K & \$30K saved for paved/gravel road maintenance over a 6-year period = \$230K saved every 6 years towards road maintenance