

SILVERWOOD PLANTATION HOMEOWNERS ASSOCIATION

Preliminary 2020 Community Budget Meeting

June 27, 20219

1. The meeting began at 7:00 pm. Members in attendance were Mitch Birzer, Cindy Felipe, Pat McCorkhill, Gloria Rushin, Anne Sawyer, Mark Spain, and Alex Thompson.
2. 2020 Preliminary Capital Improvement Projects Budget Proposal

YEAR	ROAD FUND	DRAINAGE	ROAD REPAIR	SPEED BUMPS
2020	\$30,000.00	\$45,000.00	\$35,000.00	\$20,000.00
2021	\$30,000.00	\$25,000.00	\$25,000.00	0
2022	\$30,000.00	\$25,000.00	\$25,000.00	0
2023	\$30,000.00	\$25,000.00	\$25,000.00	0
2024	\$30,000.00	\$25,000.00	\$25,000.00	0

3. Projected 2020 Revenue - \$246,168.00
 - Revenue for 2020 is based on current assessments.
 - The engineering firm that produced the SPHA Reserve Study recommends that assessments are regularly increased to ensure that the community's funding keeps pace with inflation. The committee strongly recommends that the SPHA consider raising the homeowner annual assessment in accordance with the recommendations in the 2019 Reserve Study. The Reserve Study was completed by one of the nation's leading engineering firms and it evaluated the long range health of the SPHA.
4. Projected 2020 Obligated Funds - \$166,168.00
 - This is the regular daily operating expenses required to manage the SPHA.
5. Projected 2020 Non-Obligated Funds - \$130,000.00
 - This is the total amount of funds available for implementing capital improvement projects within the SPHA for 2020.
 - The SPHA is projected to have \$80,000.00 available from the 2020 general fund (\$246,168.00 - \$166,168.00 = \$80,000.00). The SPHA has cash reserves totaling \$100,000.00. The committee recommends utilizing half of the reserves (\$50,000.00) for capital projects in 2020.
 - The \$50,000.00 cash reserves and \$80,000.00 available from the general fund equals \$130,000.00 for 2020. Each of the following years will only have \$80,000.00 for capital improvement projects.
6. The committee evaluated the needs of our community and reviewed the recommendations found within the Reserve Study. Based on this comprehensive needs assessment, the committee prepared the five year capital improvement budget plan found in item 2 above.
7. Budget Item Descriptions
 - Road Fund - This fund is designed to accumulate approximately \$1,000,000.00 in about 30 years. The fund will pay for repaving all of the SPHA roads in approximately 30 years.
 - Road Repair - The SPHA is repairing sections of all roads that have been damaged by tree roots. This is the third phase of a multiyear project.
 - Speed Bumps - This is a one time expense that will help reduce speeding in the SPHA.
 - Drainage - This category involves ensuring that all swales and ditches are correctly graded.

While maintenance of the swales and ditches is the responsibility of homeowners, the SPHA needs to make sure they have the proper grade. Another part of the SPHA drainage system is the community's ponds. The Reserve Study and a prior engineering report on the ponds details three specific actions that the SPHA needs to undertake. First, all of the ponds need to be dredged. Estimated cost of this is approximately \$65,000.00. Next, erosion control measures need to be installed around each of the ponds and the estimated cost of this is \$15,000.00. The third major project involves removing trees from the banks of the dams. According to the engineering report, trees on the banks of dams can reduce the structural integrity of a dam. This project has an estimated cost of \$40,000.00. Completion of all drainage work is a multiyear project.

8. **SPECIAL NOTE:** The 2019 Reserve Study states that the clubhouse gym and meeting room need significant upgrades in 2020. Because of limited resources, the 2020 SPHA Budget Committee has deferred this item for at least 5 years. The Reserve Study recommends \$14,000.00 for the cardio room, \$25,000.00 for the strength room, and \$9,000.00 for the meeting room.
9. The 2020 budget committee requests input from all SPHA residents. Please contact Sherry Sanford at the SPHA clubhouse with any questions, comments, or recommendations. The next budget planning session is tentatively scheduled in August.

Pat McCorkhill
President

Mitch Birzer
Vice President

Alex Thompson
Treasurer

Mark Spain

Jim Browning