

Renihan Meadow Condominium Association Board

Five-Year Capital Needs Assessment Meeting Minutes

November 30, 2024

A Five-Year Capital Assessment Meeting of the Renihan Meadow Condominium Association Board was called to order by President Scott Meyers at 9:07 am on October 19, 2024 via Google Meet. Also present were board members Arnold Martens VP and Secretary, Will Peirce Treasurer, Paula Bettis and Charles Ayew thus attaining quorum requirements. Will seconded the call to order and all present approved.

Scott Meyers – President's Comments

Scott moved that the November 16, 2024 minutes be approved. This was seconded by Will and approved by all. Scott then handed the meeting over to Will to discuss the Five-Year Capital Needs Assessment

Capital Budget for 2025 thru 2028

Once all the numbers were loaded into the five-year plan it was determined that for the next five years we would need a capital budget of \$858K. The major contributors on a yearly basis were

- Culverts / Driveways - \$5k per year for 5 years
- Storm Drains / Water Lines - \$10K per year for 5 years
- Fire System - \$5k per year for 5 years
- Basement Systems / Sump Pumps - \$6k per year for 5 years
- Roofing - \$20k per year for 5 years
- Siding - \$64k per year for 4 years
- Steps - \$63k on average per year for 4 years

General expenses year to year were budgeted at 5% leading to a revenue gap of approximately \$522k over the next 5 years and causing our reserves to go into deficit by \$175k.

Options to fund our Capital Needs over the next 5 years

Will presented three options on how the shortfall can be funded:

Option 1 – Increase the monthly dues from \$315 a month to \$360 a month for 2025 and increase it another \$10 a month each year thereafter. This would lead to a cumulative increase in monthly dues of \$85 over five years. This would cause the reserves to dip to \$222K in 2028. A manageable number, but does not leave a lot of room should there be another unknown problem needing remediation.

Option 2 - Increase the monthly dues from \$315 a month to \$335 a month for 2025 and increase it another \$10 a month each year thereafter for a total of five years plus have a semiannual Special Assessment of \$175 for the next four years. This would lead to a cumulative increase in monthly dues of \$60 over five years. This would cause the reserves to dip to \$248K in 2028. A slightly better number with a lower monthly HOA fee after five years.

Option 3 - Increase the monthly dues from \$315 a month to \$325 a month for 2025 through 2029 plus have a quarterly Special Assessment of \$200 for the next four years. This would lead to a cumulative increase in monthly dues of only \$10 over five years (i.e. it would remain the same for the next 5 years). This would allow reserves to move to a healthy level of \$326k from a projected low of \$262k at the end of 2024.

After a lengthy discussion Arnold moved that Will present Option 3 at the annual meeting during the Budget Discussion. Scott seconded and it was approved unanimously.

Old Business

A discussion was held regarding the painting of back decks. In a prior meeting the board decided not to paint the back steps. The vast majority of the back steps owned by the Association are not painted. A motion was put forth by Paula to have owners with back decks paint them a color chosen by the board once the replacement siding is in place. Also, those back steps that are painted will be painted by the association once the siding is up for that building. The Association will provide for free the paint to deck owners when needed. This will ensure consistency when it comes to all decking. This was seconded by Arnold and approved unanimously. Once the color for the siding is chosen the board will select the vendor / color that must be used by people required to paint their decks.

Meeting was adjourned at 10:15am