

3. Financial Management (Updated 4-4-18)

Q. We are interested in knowing what the current reserve account for the HOA is?

A. Our major maintenance reserves are typically about \$200,000 (we can provide a more accurate figure at the time of the enquiry)

Q. Are there any upcoming capital improvement projects or special assessments being discussed at this time?

A. We've had a few questions regarding potential special assessments since our August 2017 Homeowners Annual Meeting, where we explained to Owners that the Board intended to develop a "strategic plan for capital investment" based on the potential upcoming expenditures projected from our reserve study document that was circulated to Owners ahead of the meeting. The following summarizes the current situation:

- There are no formal plans or proposals at present for any special assessments
- The roofs within the complex will require replacement in the next 2-4 years, at a projected cost of about \$600,000 (without any contingency)
- Our capital reserve income from regular assessments over the next 4 years is scheduled to bring in about \$700K, but with other scheduled capital expenditures, this income plus major maintenance reserve may not be sufficient to cover the cost of roof replacement
- At the time of the Owners meeting, the reserve study also included a line item for replacement of windows and doors in 2021. However, unanimous feedback from about 30% of Owners who subsequently contacted the Board indicated that their windows and doors were fully functional or required only minor maintenance. Based on this, the Board considers it unlikely that replacement of windows and doors throughout the complex due to deterioration will be required in this timeframe.
- The Board is putting altogether a strategic plan for proposed capital investments and improvements over the next 10-15 years, the potential cost and how best to pay for the upgrades. The purpose of the strategic plan is to get owner feedback on the upgrades themselves and their timing.

Q: What is the Federal Tax Identification Number (Employer Identification Number, EIN Number) for the Association?

A: The EIN Number for the Association is 84-0660213