



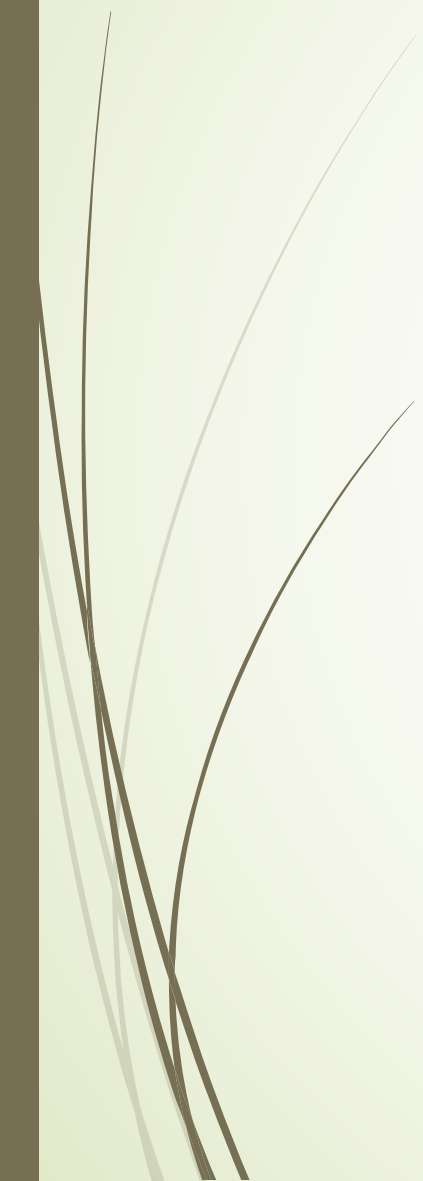
Villas of Oak Pointe

Long Term Planning Committee

January 21, 2022



Long Term Planning Committee

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- Committee rationale and purpose
 - Asset areas for consideration
 - Proposed project schedule
 - Financial/Reserve study
 - Specific recommendations
 - Next steps



Committee Rationale and Purpose



➤ Rationale

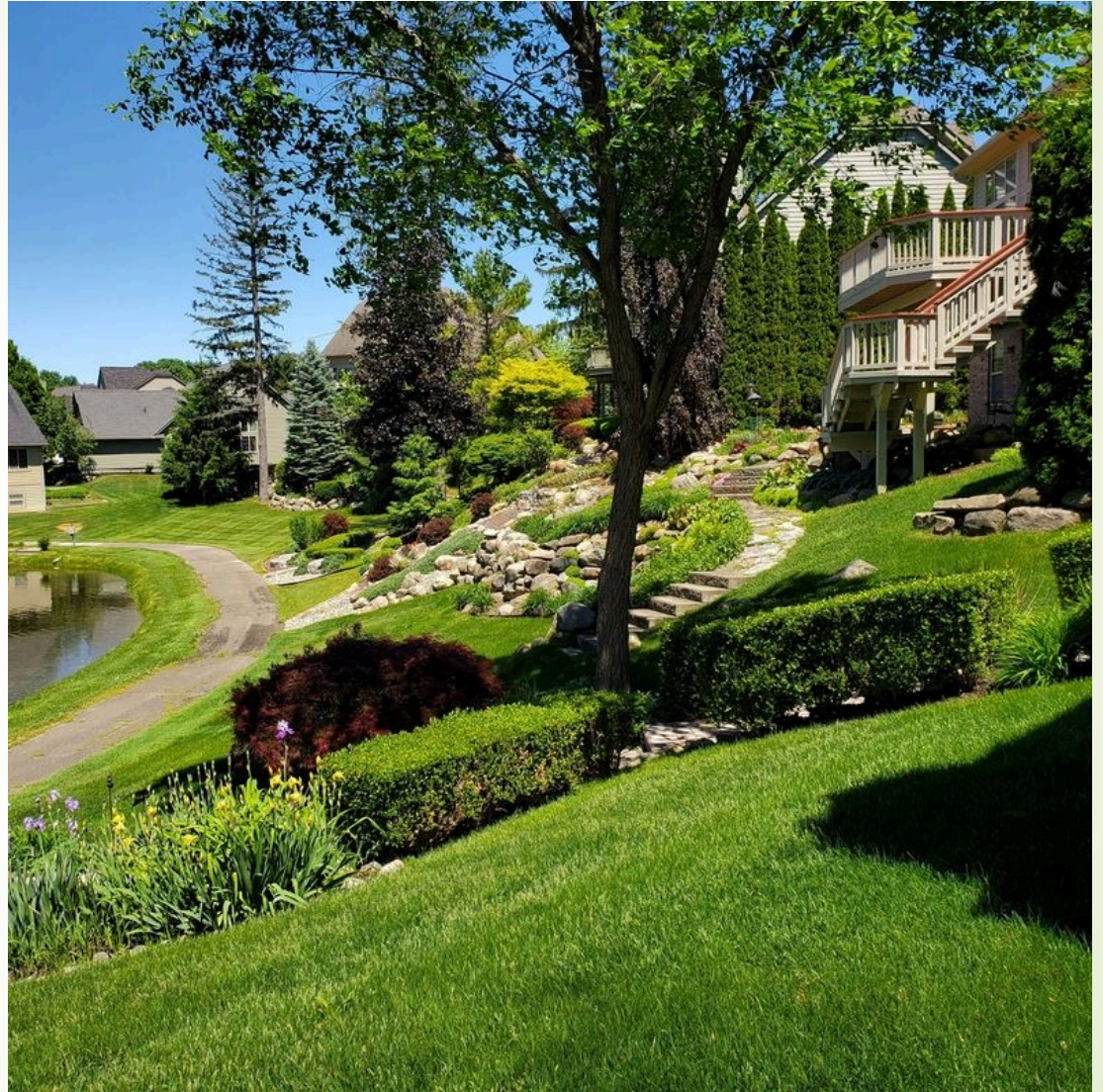
- Our neighborhood is 20 years old and refresh is needed in several areas
- Preventative maintenance and beautification of Villas' assets are needed to
 - Preserve homeowner value
 - Maintain / enhance Villas' vision of vacation living at home

➤ Purpose

- Evaluate future maintenance /enhancement projects, timing, and finance requirements such that projects are executed while maintaining the financial health of Villas
- Make project and finance recommendations to the Villas Board

Asset Areas of Focus

- Ponds – sustainability, animal & algae control, beautification
- Boats – periodic fleet replacement
- Roads – repaving
- Walking paths – repave and beautification
- Trees / landscaping
- Common areas / guard house





Projects – 2022 - 24

2022

- Phase 1 Walking Path Resurface
- Drain Repairs
- Initiate Landscaping Upgrades
- Pond Sustainability

2023

- Phase 2 Walking Path Resurface
- Guard house update
- Pond Beautification

2024

- Phase 3 Walking Path Resurface

Proposed Project Schedule

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Roads							X	X		X
Walking paths	X	X	X							
Drains	X									
Guard House		X								
Landscaping	X	X								
Boats	X	X	X	X	X	X	X	X	X	X
Ponds	X	X		X			X			X

Proposed Project Schedule with Estimated Costs

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Roads							134	214		306		288
Walking paths	34	35	27									
Drains	10											
Guard House		5										
Land-scaping	10	35								25		
Boats	12	10	4	11		15	31	2	34	5	6	
Ponds	26	10		5			5			5		

Reserve Scenario Analysis

Ending Reserve Balance

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Operating Expenses	104.9	105.5	109.2	113.2	116.2	119.5	124.0	127.8	131.9	135.4	139.6	143.4
Reserve Utilization	91.9	95.1	31.0	15.7	0.0	14.8	169.7	216.6	34.2	316.6	30.7	288.3
Scenario 1	149.4	123.4	161.2	210.2	271.9	315.5	199.7	37.0	52.6	-217.7	-206.3	-456.3
Scenario 2	179.7	184.0	252.1	331.4	423.4	497.3	411.8	279.4	325.3	85.3	127.0	-92.7
Scenario 3	167.6	159.8	215.7	282.9	362.8	442.7	363.3	237.0	288.9	55.0	127.0	-62.0
Scenario 4	149.4	153.7	221.8	301.1	393.1	467.0	411.8	309.7	385.9	176.2	248.2	89.1
Scenario 5	179.7	184.0	252.1	331.4	423.4	527.6	472.4	370.3	446.5	236.8	308.8	119.4
Scenario 6	179.7	184.0	252.1	331.4	423.4	527.6	472.4	370.3	446.5	236.8	339.1	180.0

Assessments Increase Schedule

- Scenario 1 – no assessments increase
- Scenario 2 - \$150 in 2022
- Scenario 3 - \$140 in 2022, \$155 in 2027, \$175 in 2032
- Scenario 4 - \$150 in 2023, \$175 in 2028, \$200 in 2033
- Scenario 5 - \$150 in 2022, \$175 in 2027
- Scenario 6 - \$150 in 2022, \$175 in 2027, \$200 in 2032



Takeaways from Financial/Reserve Analysis

- Monthly assessments will need to increase to maintain/enhance the Villas due to the age of the community and the increased cost of goods and services.
- The timing and size of the increase will depend on the cost and phasing of projects requiring expenditures from the reserve.
- For the Villas association to achieve the above and maintain good financial health, the annual contribution to the reserve should be no less than $\frac{1}{2}$ of the annual assessment income.



Recommendations



- Obtain updated costs to redo walking paths, stabilize pond shoreline, and fix drains at Pond 1.
- Recommend for all reserve projects greater than \$4,000 we get quotes from 3 contractors whenever possible.
- Determine specific plan/design concept for beautification around Pond 3, get quotes.
- Determine concept and costs for enhancements to common areas.
- Clarify what constitutes a general expense versus a reserve expense for the ponds and the boats.
- Re-categorize the general expense category for repair and maintenance.



Recommendations



- Draft the rationale for a proposed increase of monthly assessments beginning in 2023 to present to the Co-owners.
- Establish separate reserve for Ponds as specified in Villas By-laws (Article III, Section 2(a)).
- Annually update a 10-year rolling Reserve study.
- Establish time period to replacement or upgrading of specific Villas assets.



Next Steps



- Update 10-year Reserve study based on full year 2021/22 financials
- Revise Reserve Study and recommendations on project timing and finances upon getting:
 - Quotes for drain repair, pathway paving, and pond shoreline stabilization
 - Pond 3 beautification design and costs
 - Clarification of boat and pond expenses/reserve