

BOD RESERVE REPORT AND PRESENTATION

RECORDED FOR POSTING TO COMMUNITY

FEBRUARY 25, 2021 AT 2:02 PM

Attendees:

Greg Gilbert (Miller Dodson Capital Reserve Consultants), Billie Reynolds (Park Manager), Melissa Peters (President), Tim Mummert (Treasurer), and Terri Koller (Acting Secretary)

Greg opened the meeting by introducing himself and sharing how they approach a reserve study and why a reserve study is done. He also shared what the benefits are to doing a reserve study and said that one should be done every 3-5 years in to be kept up to date and most accurate.

We had two studies done. The second was done once we realized that we need to include the sewer and electrical infrastructure that we own and will need to be repaired/replaced in the future.

A reserve study is not a **work** plan it is a **financial** plan, like a special savings account. The benefit to having reserves in place are to:

1. make sure that the funds are available when necessary.
2. Avoid Special Assessments to pay for large unexpected expenses
3. Having a well-funded Reserve Fund is a great selling feature to potential buyers
4. Keeps the whole park moving and growing in a positive way

A reserve is not to be used for maintenance. Maintenance is budgeted for and should be done when needed in order to avoid large replacement costs.

In the past it seems that money from Reserves **was** used for a lot of regular expenses to avoid increases in HOA fees and this is the reason that after 30 years of funding the Reserve amount is only about \$300,000. We are set to contribute about \$70,000 this year and after the litigation is over we are looking to fund much more.

A reserve shouldn't be used for items that are in the budget out of convenience. Large expenses that are unbudgeted for are what these funds are to be used for.

Recorded meeting will be posted on the WHPCA website for owners to view at their convenience.