

2020 SRCC Long Term Plan (LTP) & Budget

Objectives:

1. Simplify the SRCC assessment communication and collection process
2. Provide an easy to pay option available in PayLease
3. Provide email communications to residents in addition to the required mailings

2020 Assessment Payment Process:

7/1/19	Mail out assessment postcard via USPS, electronic email system & sign-up for new 6-month PayLease begins
7/25/19	2019 Financial Presentation to residents at the Clubhouse
08/01/19	2019 6-month PayLease payment plan begins (Aug 2019-Jan 2020)
11/01/19	Budget mailing and electronic reminder is sent out
01/02/20	New payment reminder postcard mailed to residents
01/31/20	2019 Full Assessment Payment is due
02/01/20	*First letter out to unpaid residents (with \$25 fee) via USPS additional letter sent electronically when possible. Interest charges begin at 1.5% per month.
03/01/20	*Second letter sent to unpaid residents (with another \$25 fee) via certified mail and electronic mail including two months of interest due for February and March. Also, mention that unless paid by 4/15/20, the account will be submitted to a collection agency with the collection agency fee of 33% added to what is owed to SRCC.
04/15/20	Collection Agency - Unpaid residents will only communicate with the collection agency for sixty days.
07/01/20	Lien – A lien will be placed on unpaid residents by the SRCC board that includes a \$450.00 legal fee

*Fees and interest owed SRCC will be paid prior to the assessment balance. The assessment balance will continue to accrue interest until paid in full.

2020 Assessment Payment Process FAQ:

Q. How will the six-month payment plan work?

The six-month option gives residents some flexibility if they find the lump sum for the assessments undesirable. This is the only payment plan option. The resident will need to have registered on PayLease by August 2019 to take advantage of this payment plan.

2020 Financial Plan Assessment Amounts and SRCC Revenue 2020 – 2030

Year	Assessment Per Unit	Assessment Revenue	Other Revenue	Total Revenue
2020	\$585.00	\$277,290	\$21,000	\$298,290
2021	\$620.00	\$293,880	\$21,000	\$314,880
2022	\$650.00	\$308,100	\$21,000	\$329,100
2023	\$680.00	\$322,320	\$21,000	\$343,320
2024	\$715.00	\$338,910	\$21,000	\$359,910
2025	\$600.00	\$284,400	\$21,000	\$305,400
2026	\$615.00	\$291,510	\$25,000	\$316,510
2027	\$625.00	\$296,250	\$25,000	\$321,250
2028	\$635.00	\$300,990	\$25,000	\$325,990
2029	\$650.00	\$308,100	\$25,000	\$333,100
2030	\$660.00	\$312,840	\$25,000	\$337,840

*Other revenue refers to income from party rentals, pool concessions, administrative fees, etc.

2020 Financial Plan Expenses 2020 – 2030

2020 Capital Reserves Spending Budget	Budget
Parks and Common Area- Tree Planting	\$5,000
Recreation Center- Tables for party room	\$5,000
Swimming Pool- Chairs for pool deck, inclusive bench/ changing table for locker rooms	\$3,000
Total Capital Reserve spending budget for 2020	\$13,000

Capital reserve **planning** for 2020 – 2030 includes the two furnace replacements and the pool.

Year	Rec. Ctr.	Parks	Pool	Other	Total Reserve Spending
2020	5	5	3	0	\$13
2021	55 (30 is for the Main Level Furnace)	0	10	0	\$65
2022	30	0	0	0	\$30
2023	25	0	0	0	\$25
2024	20	5	0	0	\$25
2025	30 (15 is for the Lower Level Furnace)	0	1,000	0	\$1,030
2026	25	0	0	0	\$25
2027	50	5	0	0	\$55
2028	35	0	0	0	\$35
2029	33	0	0	20	\$53
2030	35	0	5	20	\$60

The revenue plan sets the assessment amounts and the revenue is being driven by the planned operating expenses, capital reserve spending expenses and the requirement of having \$60,000 in reserve for emergency expenses. The requirement of having at least \$560,000 in reserves at the end of 2024 is driving most of the revenue requirements.

Year	Capital Reserve Balance on December 31 st of that year
2019	\$154,606
2020 Estimate	\$180,606
2021	\$253,137
2022	\$342,768
2023	\$448,476
2024	\$567,585
2025	\$103,348
2026	\$131,512
2027	\$131,556
2028	\$153,903
2029	\$160,976
2030	\$163,250

SRCC Operating Expenses – Summary Version

Year	Rec. Ctr.	Swim. Pool	Parks & Common Area	Administration	Total Operating Expenses
2020	\$78,800	\$54,100	\$33,000	\$39,500	\$205,400
2021	\$65,934	\$52,284	\$48,624	\$39,532	\$206,374
2022	\$66,923	\$53,068	\$49,353	\$40,125	\$209,470
2023	\$67,927	\$53,864	\$50,094	\$40,726	\$212,612
2024	\$68,946	\$54,672	\$50,845	\$41,337	\$215,801
2025	\$69,980	\$55,492	\$51,608	*\$81,557	\$258,638
2026	\$71,030	\$56,325	\$52,382	\$82,187	\$261,923
2027	\$72,096	\$57,169	\$53,168	\$82,826	\$265,258
2028	\$73,177	\$58,027	\$53,965	\$83,474	\$268,643
2029	\$74,275	\$58,897	\$54,775	\$84,132	\$272,079
2030	\$75,389	\$59,781	\$55,596	\$84,800	\$275,566

- Assumes a 20-year \$500,000 loan payment beginning in 2025 at \$39,600 per year (or \$83.37 per unit per year)

2020 SRCC Budget – Four Year Comparison

2020 SRCC Budget (Summary Format)

Item	2020 Budget	2019 Budget	2018 Actual	2018 Budget	2017 Actual	2017 Budget
Assessment Income	\$277,290	\$260,700	\$246,010	\$247,000	\$246,573	\$234,208
Other Income	17,700	21,000	19,992	19,000	\$27,510	18,200
Total Income	\$294,990	\$281,700	\$266,002	\$266,000	\$274,083	\$252,408
Recreation Center Expenses	\$78,800	*\$64,000	\$71,901	\$53,500	\$65,265	\$53,000
Swimming Pool Expenses	\$54,100	50,750	56,932	53,300	\$44,655	51,500
*Parks and Common Grounds Expenses	\$33,000	47,198	\$27,507	46,500	\$40,375	37,500
Administration Expenses	\$39,500	38,377	\$28,591	40,000	\$37,791	45,000
Total Operating Expenses	\$205,400	\$200,325	\$184,931	\$193,300	\$188,086	\$187,000
Net Income before Capital Reserves	\$89,548	\$81,375	\$83,336	\$72,700	\$86,003	\$65,408
Parks and Common Area Res. Spending	\$5,000	\$15,000	\$26,063	35,000	\$24,215	\$85,000
Recreation Center Reserve Spending	\$3,000	14,000	\$100,918	55,000	\$(169)	28,000
Swimming Pool Reserve Spending	\$,5000	6,000	8,733	0	\$9,624	4,000
Total Capital Expenditures	\$13,000	\$35,000	\$139,413	\$90,000	\$33,670	\$117,000
Net Income after Capital Reserves	\$76,548	\$46,375	\$(56,077)	\$(17,300)	\$52,333	\$(51,592)

- 2019 Includes \$4,000 for the February/March pond burning (every two years)

Appendix 1 – 2020 Potential Fees

Fee	Comment
\$40.00 – Rental Administration Fee	This fee is unchanged from 2019. The fee is applied to all rental properties. This fee includes all related rental documentation and potential additional assessment mailing locations.
\$25.00 – Administration Fee	Fee added for every letter going out to units beginning on 2/15/20.
\$25.00 – Returned Payment Fee	This fee is applied when a payment needs to be returned, such as when a check is bounced by the bank due to NSF or a check cannot be deposited because a resident did not fill out the check correctly.
\$450.00 – Lien Fee	This fee is unchanged from 2019. This fee is applied when a Lien is placed against a unit and covers the potential documentation sent to the unit once the Lien is removed. The unit owner is responsible to pay the fee for filing the paperwork when removing the Lien.
Collection Agency Fees	The current year fee is 33% and prior years is 50%.

Appendix 2 – 2020 Budget by GL Number

Item	2020 Budget	2019 Budget	2018 Actual	2018 Budget
4100.18 Assessments – FY 2019	\$277,290	\$260,700	\$248,276	\$247,000
4105 – Closing Costs	600	600	996	600
4200 - Clubhouse Rentals	7,200	7,200	6,832	7,200
4800 – Misc. Income	1,000	3,500	50	3,000
4100 – Interest Rec. Assessments	1,800	1,800	2,048	1,600
4750 – Advertiser Income	100	100	100	100
4350 – Pool Concessions	3,000	2,000	2,851	2,000
4300 – Pool Guest Fees	3,000	1,700	5,480	4,000
4600 – Swim Lessons	1,000	2,800	1,255	500
7000 – Other Income	0	1,000	1,708	0
Other Income	17,700	21,000	19,992	19,000
Total Income	\$294,990	\$281,700	\$267,789	\$264,000
5115 – Clubhouse Rental Expense	1,500	1,500	\$1,437	\$1,700
5143 – Maintenance Cleaning	3,900	4,000	3,884	3,900
5140 – Maintenance-Other				
5141 – Maintenance Repairs	3,500	2,800	5,312	3,860
5142 – Maintenance Other Maintenance	5,500	2,000	6,657	0
5190 - Miscellaneous	0	0	236	0
5110 - Salaries	43,800	32,000	33,754	28,000
5164 – Special Programs Adult Night at Pool	100	100	68	65
5163 – Special Programs Community Garage Sale	50	125	55	125
5162 – Special Programs Easter Egg Hunt	200	150	155	150
5166 – Special Programs Oktoberfest	1,200	1,200		
5167 – Special Programs Santa Breakfast	350	350	242	
5168 – Special Programs Misc.	0	100	0	200
5165 – Special Programs Summer Celebration	500	600	381	200
5160 – Special Programs - Other	100	100	102	
5150 - Supplies	4,500	4,500	6,450	1,800
5125 – Utilities Electric	6,500	6,300	6,574	6,000
5122 – Utilities Gas	3,300	2,600	3,316	3,300
5135 – Utilities Telephone	1,500	2,000	1,110	2,000
5130 – Utilities Water & Sewer	2,100	3,400	2,058	1,700
5100 – Recreation Center Expense Other	200	175	60	500
Recreation Center Expenses	\$78,800	\$64,000	\$65,265	\$53,500

2020 Budget by GL Number

(Continued)

Item	2020 Budget	2019 Budget	2018 Actual	2018 Budget
5242 – Maintenance Open/Close	4,500	\$6,000	\$12,880	\$4,500
5241 – Maintenance Repairs	3,000	3,000	3,246	3,000
5240 – Maintenance Other	500	500	1,807	500
5254 – Pool Chemicals	2,000	500	2,186	500
5270 – Pool Concessions Expenses	1,500	1,200	1,719	1,300
5215 – Pool Salaries Swim Lessons	2,000	1,300	1,569	1,000
5210 – Pool Salaries Staff Salaries	37,000	36,000	30,338	39,000
5255 – Supplies Other Supplies	2,000	1,500	553	2,500
5251 – Supplies Swim Lesson Supplies	100	100	0	200
5250 – Supplies Pool Equipment Other	1,000	150	1,376	300
5235 – Swimming Pool Area Phone	500	500	512	500
Swimming Pool Expenses	\$54,100	\$50,750	\$56,923	\$53,300
5310 – Cut and Prune	\$23,00	\$23,000	\$20,00	\$23,500
5335 – Grounds Care	7,000	12,000	245	10,000
5340 - Ponds	0	5,000	4,278	6,000
5390- Miscellaneous		3,198		
5360 – Snow Removal	3,000	4,000	2,919	7,000
Parks and Common Grounds Expenses	\$33,000	\$47,198	\$27,507	\$46,500
5585 – Accounting & Tax Prep Services	\$4,000	\$4,000	\$2,293	\$6,100
5560 – Bank Fees	100	100	25	100
5563 - Gifts	300	275	425	250
5581 - Insurance	14,200	14,200	13,568	14,200
5586 – Legal Services	4,000	5,000	1,925	7,500
5564 – Licenses and Fees	2,000	2,000	3,019	1,200
5590 - Miscellaneous	0	1,052	0	1,000
5561 – Outside Services	0	1,500	0	100
5511 - Payroll Social Security	4,900	4,300	4,089	4,100
5512 – Payroll Medicare	2,000	1,050	956	1,050
5513 – Payroll SUTA	500	850	415	525
5514 – Payroll FUTA	350	350	301	375
5517 – Payroll Tax prior years	0	900	0	0
5510 – Payroll Taxes Other	6,000	0	5,763	6,350
5551 - Publications	1,000	1,200	989	1,500
5550 - Supplies	0	1,500	418	1,500
5562 - Travel	150	100	162	200
5500 - Other	0	0	0	
Administration Expenses	\$39,500	\$38,372	28,591	40,000

2020 Budget by GL Number

(Continued)

Item	2020 Budget	2019 Budget	2018 Actual	2018 Budget
Total Operating Expenses	\$205,400	200,319	\$185,528	\$193,300
Net Income before Capital Reserves	\$89,590	\$81,381	\$82,261	\$72,700
5830 - Parks and Common Area	\$5,000	\$15,000	\$26,063	\$35,000
5810 - Recreation Center	\$3,000	14,000	100,918	55,000
5820 - Swimming Pool	\$5,000	6,000	8,733	0
Total Capital Improvement Expenditures	\$13,000	\$35,000	\$139,413	\$90,000
Net Income after Capital Reserves	\$76,590	\$46,381	\$(57,152)	\$(17,300)

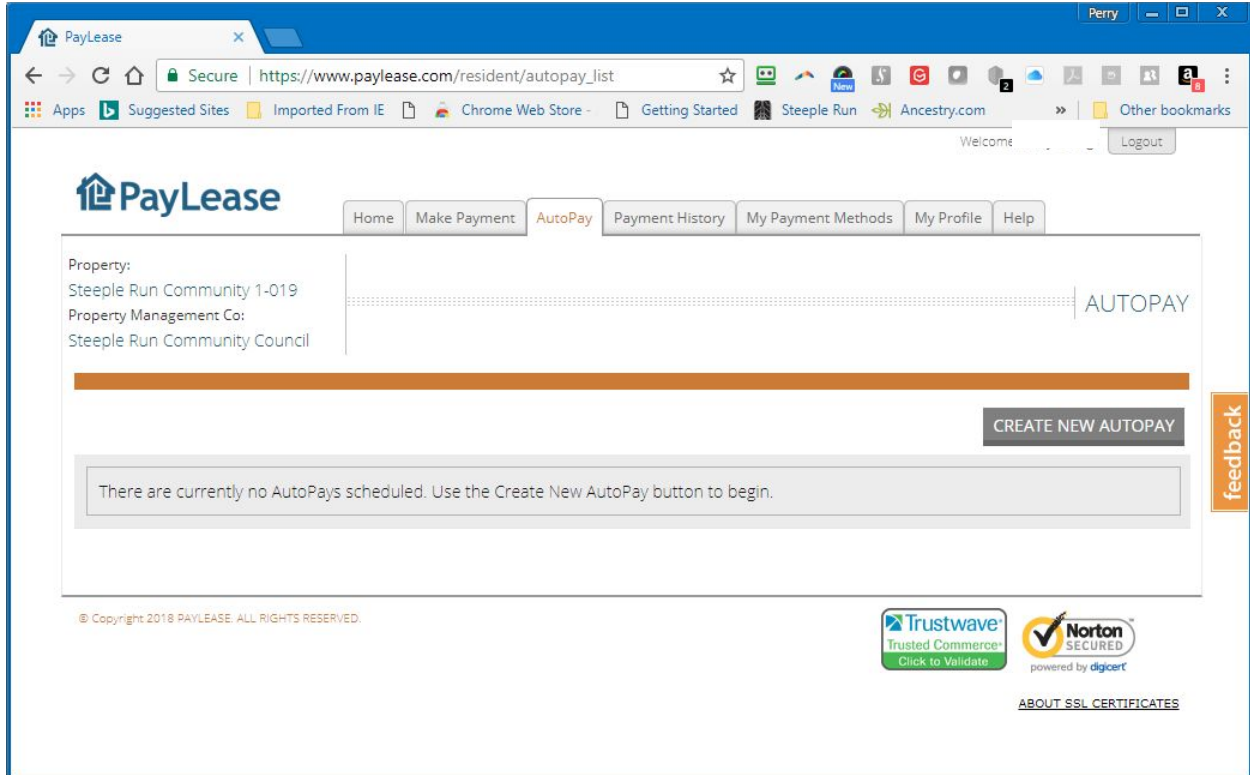
Appendix 3 – PayLease Six-Month Payment Plan

The intent of the new payment plan is to provide an affordable subscription-like plan. The SRCC Treasurer will keep track of next years revenue that will remain in the SRCC operating accounts and unspent until 2019. Those residents that pay from a checking account will not have any additional transaction fees.

- Residents who wish to use the plan will need to register for PayLease by August 2019
- The first payment will need to be completed by August 31, 2019
- The sixth and final 2020 assessment payment will need to take place by January 31, 2019

An owner who lives in their SRCC home will need to pay \$97.17 per month beginning in August 2019 and ending January 2020. An owner who rents their home will need to pay \$103.84 per month beginning in August 2019 and ending January 2020 which includes the assessment amount plus the rental administration fee.

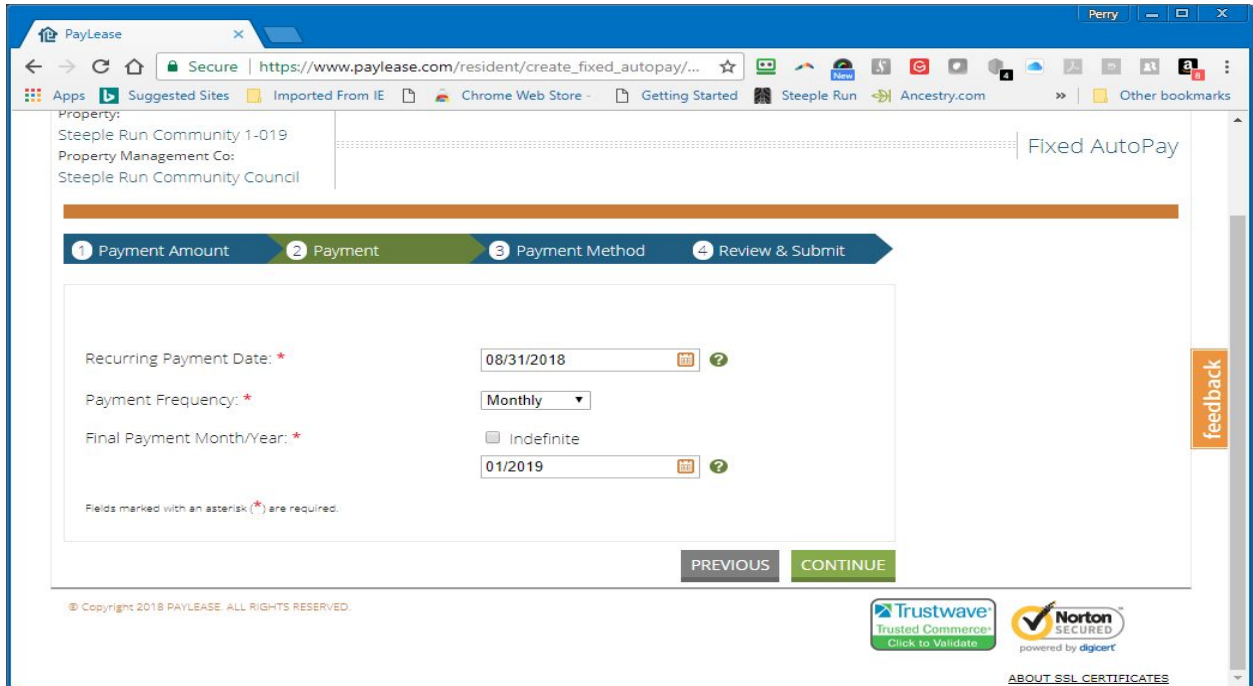
Step 1: To establish an AutoPay in PayLease, select the AutoPay tab after you login and select the CREATE NEW AUTOPAY button.



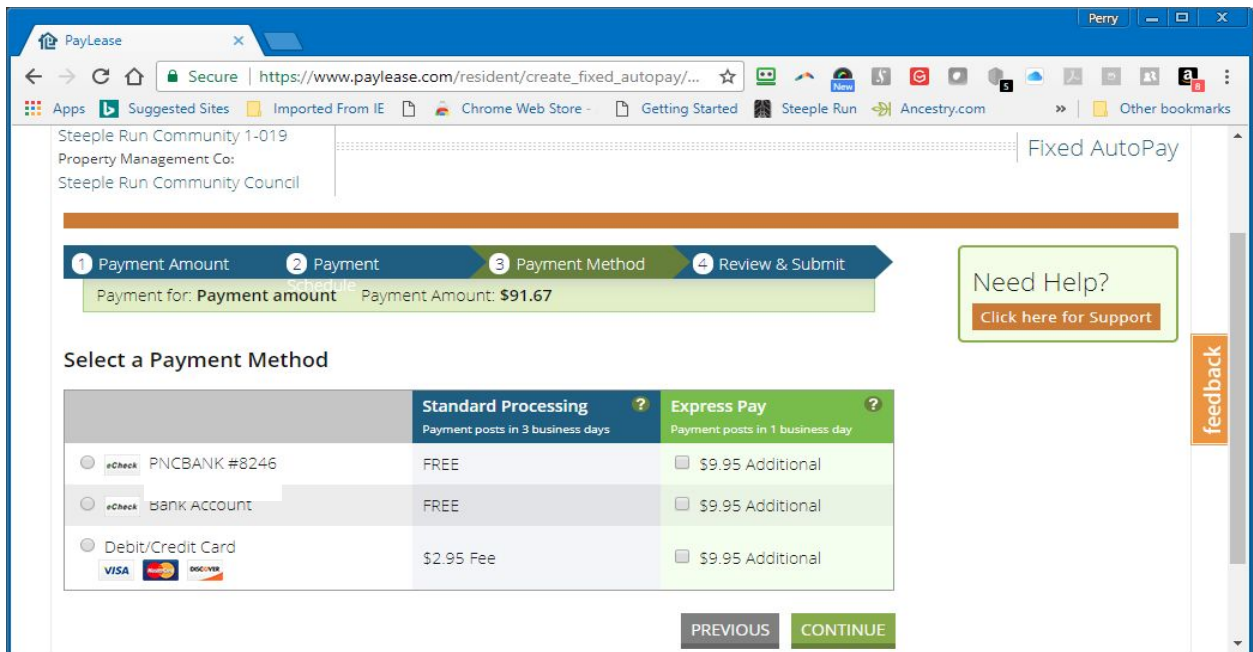
Step 2: Enter the monthly amount and select the CONTINUE button

The screenshot shows a web browser window with the URL https://www.paylease.com/resident/create_fixed_autopay/.... The page title is "PayLease" and the user is logged in as "Perry". The navigation menu includes "Home", "Make Payment", "AutoPay", "Payment History", "My Payment Methods", "My Profile", and "Help". The property information is "Steeple Run Community 1-019" and "Steeple Run Community Council". The page is titled "Fixed AutoPay" and shows a progress bar with four steps: 1. Payment Amount (selected), 2. Payment, 3. Payment Method, and 4. Review & Submit. The "Payment Amount" field is set to "91.67". A "CONTINUE" button is visible. A "Need Help?" link is also present. Security logos for Trustwave and Norton are shown at the bottom.

Step 3: Select the starting date, monthly frequency, unselect the indefinite box, select the final payment month, and select the CONTINUE button.



Step 4: Select the payment method and select the CONTINUE button.



Step 5: Select the SCHEDULE AUTOPAY Button.

The screenshot shows a web browser window with the PayLease website. The address bar shows the URL: https://www.paylease.com/resident/create_fixed_autopay/.... The page title is "PayLease".

At the top right, there is a user greeting: "Welcome: Perry Youngs" and a "Logout" button.

The main navigation menu includes: Home, Make Payment, **AutoPay**, Payment History, My Payment Methods, My Profile, and Help.

Property information is displayed on the left:
Property: Steeple Run Community 1-019
Property Management Co: Steeple Run Community Council

On the right side of the property information, it says "Fixed AutoPay".

A progress bar shows four steps: 1 Payment Amount, 2 Payment, 3 Payment Method, and 4 Review & Submit. Step 4 is currently active.

Below the progress bar, there is a confirmation text:
I, Perry Youngs, confirm that the payment information below is correct and authorize PayLease on 03-19-2018 to set up the AutoPay (automatic recurring payment) with the details below. I understand I am responsible for canceling my AutoPay when I am moving from my Property.

At the bottom of the confirmation text, there are two buttons: "PREVIOUS" and "SCHEDULE AUTOPAY".

At the bottom of the page, there are two sections for editing:
Payment Amount [EDIT] Payment Details [EDIT]

On the right side of the page, there is a "Need Help? Click here for Support" button and a vertical "feedback" button.