

Steeple Run Community Council 2017 Financial Plan Presentation

September 13, 2016 or
September 15, 2016
SRCC Clubhouse

1



2017 Financial Plan Topics

- 2016 Financial Status
- 2017 Long Term Plan (LTP)
 - LTP Capital Expenditure Assumptions
 - LTP Assessment Assumptions
- 2017 Budget
 - Electronic Assessment Payment Preference
 - New Assessment payment schedule
- Steeple Run Web Site

2016 Financial Status

- ▶ Major Capital Expenditure Projects Completed in 2016
 - ▶ Clubhouse Renovation (1st and 2nd floors)
 - ▶ Common Path Renovation/Replacement (approved in 2015)
- ▶ Operating expenses are under budget for 2016
 - ▶ Anticipated Legal expenses, accounting services, and snowplowing expenses have been less than expected
 - ▶ Assessment Revenue collection continues to be challenging
 - ▶ We had problems with the USPS mailing assessment letters to the home of owners in 2016
 - ▶ As of September 8th, we had over 30 households who have still not paid their 2016 SRCC assessment completely with Liens being applied
 - ▶ The board initiated a new assessment process for the SRCC office

2016 Clubhouse Renovation Pictures



2017 Long Term Plan

Covering years 2017 through 2035

5

Long Term Plan Assumptions

No changes from the 2016 LTP

▶ **POTENTIAL POOL REPLACEMENT**

- ▶ \$500,000 in Capital Reserves to cover half of the potential SRCC Pool replacement cost targeted as a 2025 project
- ▶ \$500,000 loan over 20 years at 5% resulting in a \$40,000 per year additional expense from 2025 through 2035

▶ **2025 RESERVE LEVEL (above planned expenses)**

- ▶ \$60,000 in Capital Reserves to cover emergency unanticipated capital expenditures

2017 LTP Budgeted Capital Expenditures 2017 - 2020

Project	Estimated Year	Estimated Expense
Parking Lot Replacement	2017	\$85,000
Office Equipment & Furniture	2017	\$20,000
Misc. Other	2017	\$12,000
Lower Level – Pool Area Renovation	2018	\$25,000
Furniture/Appliances	2018	\$10,000
Misc. Other	2018	\$17,000
Misc. & Ponds	2019	\$29,000
Heating/Cooling – Main Area	2020	\$25,000
Misc. Other	2020	\$18,000

2017 LTP Budgeted Capital Expenditures 2021 - 2025

Project	Estimated Year	Estimated Expense
Misc. Other	2021	\$12,000
Furniture & Appliances	2022	\$20,000
Misc. Other	2022	\$12,000
Misc. Other	2023	\$12,000
Misc. Other	2024	\$15,000
*Pool Replacement	2025	\$1,000,000
Heating/Cooling – Lower Level	2025	\$15,000
Misc. Other	2025	\$15,000

* \$500,000 Capital Expense and \$500,000 twenty year loan

2017 LTP Budgeted Capital Expenditures 2026 - 2031

Project	Estimated Year	Estimated Expense
Furniture & Appliances	2026	\$10,000
Misc. Other	2026	\$15,000
Misc. Other	2027	\$15,000
Misc. Other	2028	\$15,000
Furniture & Appliances	2029	\$13,000
Misc. Other	2029	\$15,000
Remodeling & Misc.	2030	\$80,000
Remodeling & Misc.	2031	\$50,000

2017 LTP Budgeted Capital Expenditures 2032 - 2035

Project	Estimated Year	Estimated Expense
Remodeling & Misc.	2032	\$17,000
Remodeling & Misc.	2033	\$17,000
Remodeling & Misc.	2034	\$17,000
Remodeling & Misc.	2035	\$17,000

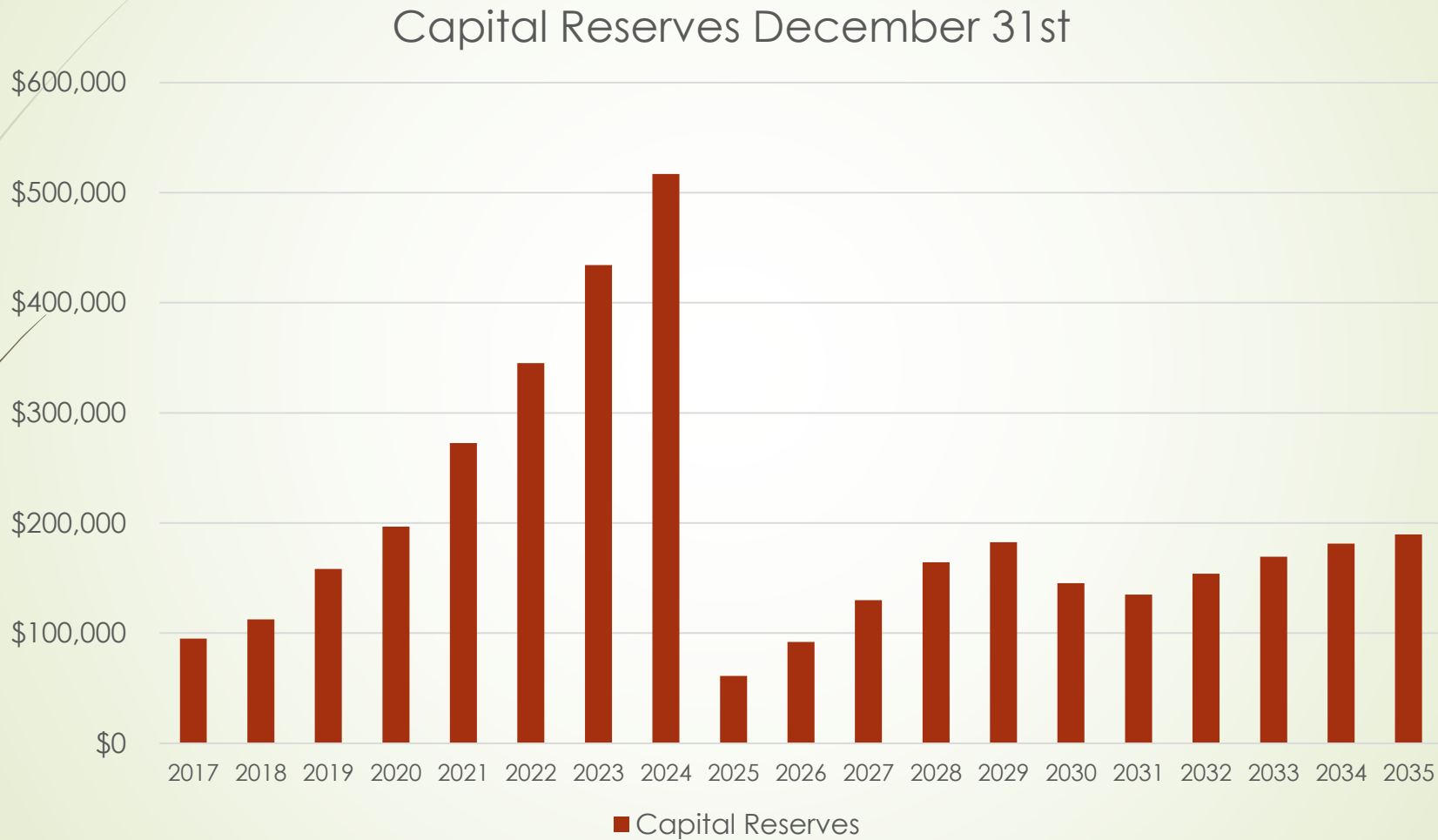
2017 LTP **AVERAGE** Assessment

Year	Avg.	Year	Avg.	Year	Avg.
*2016	\$474	**2025	\$600	**2025	\$600
2017	\$492	2026	\$600	2026	\$600
2018	\$505	2027	\$600	2027	\$600
2019	\$520	2028	\$600	2028	\$600
2020	\$540	2029	\$600	2029	\$600
2021	\$560	2030	\$600	2030	\$600
2022	\$580	2031	\$600	2031	\$600
2023	\$600	2032	\$600	2032	\$600
2024	\$600	2033	\$600	2033	\$600

* Through 7/18/16, Budgeted = \$475, **Full Assessment amount = \$490**

** Pool Replacement Assumption adds \$40,000 loan payment

2017 LTP Capital Reserve Levels



2017 SRCC Budget

13

2017 Budget Summary P&L

Item	\$
INCOME - Assessment Revenue	\$233,208
INCOME – Other Revenue	<u>\$20,000</u>
TOTAL INCOME	\$253,208
EXPENSE – Rec. Center	\$53,000
EXPENSE – Swimming Pool	\$51,500
EXPENSE – Parks & Common Area	\$37,500
EXPENSE – General Administration	<u>\$45,000</u>
TOTAL OPERATIONAL EXPENSES	\$187,000
CAPITAL EXPENSES	\$117,000
NET INCOME	\$(50,792)

2017 Largest Expense Categories

Expense Category	2017 Budget
People – Pool, Office, & Payroll Taxes	\$65,925
Common Area Maintenance – Cut & Prune	\$23,500
Facilities – Utilities	\$17,525
Facilities – Insurance	\$14,000
Administration – Accounting/Tax/Legal	\$11,000
Common Area Maintenance – Snow Removal	<u>\$6,000</u>
Total – Largest Expense Categories	\$137,950
Percent of Operational Expenses	74%

2017 Assessment Payment Schedule

All payments need to be made by **February 28, 2017**

Important Dates	Amount Due	Comments
January 1, 2017 through January 23, 2017	\$495.00 Full Assessment or \$252.50 First Half Payment postmarked or paid in full	Half Payments include the cost associated with handling multiple payments
January 24, 2017 through February 28, 2017	\$505.00 Full Assessment or \$252.50 Second Half Payment (only if the First Half Payment was paid on time) postmarked or paid in full	After February 28, 2017 assessment payments are considered late and interest and fees begin to apply for late payments
Beginning March 1, 2017 until the remaining assessment balance is paid	A 1.5% interest charge per month begins on any unpaid late assessment balances	The interest charge also applies to unpaid balances from prior years

2017 Assessment Payment Schedule

All payments need to be made by **February 28, 2017**

Important Dates	Amount Due	Comments
March 13, 2017 through March 31, 2017	Unpaid balances with potential interest charges	Letters will be sent to late assessment home owners with responses to the letter determining the next step taken by the board
April 1, 2017 through April 23, 2017	A \$40 Administration Fee is charged to those with an unpaid 2017 balance	The SRCC board determines which households will have liens applied during this period
April 24, 2017 through May 2017	\$400 Legal Fee is applied	Liens are established and a legal fee added to the unpaid balance owed to SRCC by the home owner

2017 Additional Assessment Fees & Policies

- ▶ All rental properties will be charged a 2017 one time **\$40** general administration fee that should be included with payment.
- ▶ All bounced checks will be charged a **\$25** special administration fee.
- ▶ Payments made by check where the property and/or property owner is not identified will be immediately returned with the assessment being treated as unpaid.
- ▶ Incorrect payment amounts by check will be returned after one call is made to the owner and they have not responded within 3 business days. If the SRCC does not have the owners contact information, the payment will be immediately returned to the owner.
- ▶ No payment schedule except those already specified will be accepted unless permission to do so has been granted in 2017 by the SRCC president. Special payment requests can be made through the SRCC office for consideration.
- ▶ Home owners that do not pay the correct amount owed using the PayLease on-line payment system will be considered as unpaid until full payment has been made.

2017 Assessment Payment Summary

Including the rental administration fee
assuming assessments are paid in full by February 28, 2017

Date	Non-Rental Household	Rental Household
Monday, January 23, 2017	\$495.00 – Full or \$252.50 – 1 st Half	\$535.00 – Full or \$272.50 – 1 st Half
Tuesday, February 28, 2017	\$505.00 – Full or \$252.50 – *2 nd Half	\$545.00 – Full or \$272.50 – *2 nd Half

* Assuming the 1st Half payment was paid by January 23, 2017

2017 Assessment Payment Documentation

- ▶ Check Payments need to include the property the payment is for (SRCC Lot#) and have the correct payment amount.
 - ▶ If the resident does not see the assessment payment check being deposited within 30 days after the check was sent to SRCC, it is the responsibility of the owner to contact the SRCC office and issue a new payment.
- ▶ If the owner pays using cash, the owner should request a receipt from the office manager and put the receipt in a safe place in case a question arises. SRCC is also keeping a copy of all of the cash receipts.



If the name and or address is different than the SRCC property, **the SRCC address** should be added and SRCC should have the owners contact information

The **SRCC Lot#** should be included in the comment space on the check

Where do I find the SRCC Lot Number?

- ▶ The SRCC lot# is contained in the SRCC Directory and we have asked for it to be included on the PayLease system. We also plan to send the list out with the 2017 assessment notices.

Lot-Num	Street Address	Full Address
1-046	Arrow Court	24w405 Arrow Court
1-047	Arrow Court	24w410 Arrow Court
1-045	Arrow Court	24w415 Arrow Court
1-048	Arrow Court	24w420 Arrow Court
1-044	Arrow Court	24w425 Arrow Court
1-049	Arrow Court	24w430 Arrow Court
1-043	Arrow Court	24w435 Arrow Court
1-050	Arrow Court	24w440 Arrow Court
1-042	Arrow Court	24w445 Arrow Court
1-051	Arrow Court	24w450 Arrow Court
1-041	Arrow Court	24w455 Arrow Court
1-052	Arrow Court	24w460 Arrow Court
3-501	Avon Court	6s631 Avon Court
3-506	Avon Court	6s640 Avon Court
3-502	Avon Court	6s641 Avon Court
3-505	Avon Court	6s650 Avon Court
3-503	Avon Court	6s651 Avon Court
3-504	Avon Court	6s656 Avon Court

PayLease Electronic Payment Option Changes for 2017

- ▶ Paylease will be the preferred SRCC assessment payment method beginning for 2017.
- ▶ **SRCC residents will not be charged any fees in 2017 when paying from a checking account.**
 - ▶ Residents wanting to use a credit card to pay with will still need to pay the credit card fee (usually 3%).
 - ▶ The SRCC board has decided to run this on-line payment program as a test for 2017. We currently have 74 owners registered on PayLease.
- ▶ Residents who have not registered yet on PayLease need to do so before they can use the system to pay their assessment. The registration process usually takes 1-3 days to be approved by the SRCC Treasurer and only needs to be done once.
- ▶ SRCC will still accept cash and checks for the 2017 assessment payment. It is just not the preferred method of payment.

PayLease Registration Process

- ▶ Type in www.payLease.com
- ▶ Select “Sign Up” from the menu



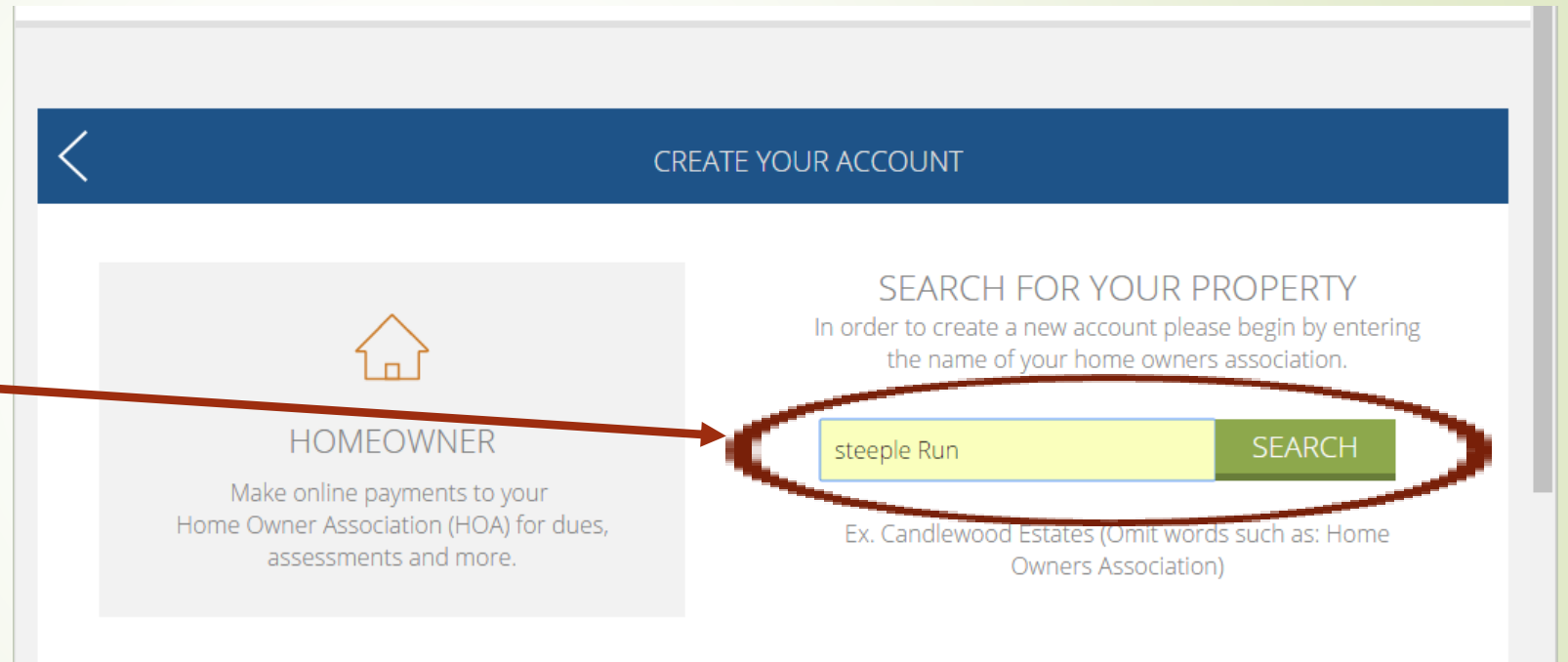
PayLease Registration Process

Select the
Homeowner
button

The screenshot shows the PayLease website's registration process. The header includes the PayLease logo and navigation links: PRODUCT SUITE, FEATURES, PORTFOLIOS, WHY PAYLEASE, and OUR COMPANY. There are also LOGIN and SIGN UP buttons. The main content area features the text "EXPERIENCE WHAT'S POSSIBLE IN PROPERTY MANAGEMENT" and two buttons: "EXPLORE PRODUCTS" and "MAKE A PAYMENT". A dropdown menu is open, titled "CREATE YOUR ACCOUNT", with the instruction "PLEASE SELECT ACCOUNT TYPE:". The menu contains three buttons: "RESIDENT", "HOMEOWNER", and "PROPERTY MANAGER". The "HOMEOWNER" button is circled in red, and a red arrow points from the text "Select the Homeowner button" to it. Below the buttons, there is a link for "ALREADY HAVE AN ACCOUNT? LOGIN>".

PayLease Registration Process

Type in
"Steeple
Run" or
"Steeple Run
Community"
and then
select the
search
button



The screenshot shows a mobile application interface for account creation. At the top, a dark blue header contains a back arrow and the text "CREATE YOUR ACCOUNT". Below this, there are two main sections. The left section is titled "HOMEOWNER" with a house icon and the text "Make online payments to your Home Owner Association (HOA) for dues, assessments and more." The right section is titled "SEARCH FOR YOUR PROPERTY" with the instruction "In order to create a new account please begin by entering the name of your home owners association." Below this instruction is a search input field containing the text "steeple Run" and a green "SEARCH" button. A red oval highlights the search input field and the "SEARCH" button. A red arrow points from the text on the left to the "SEARCH" button.

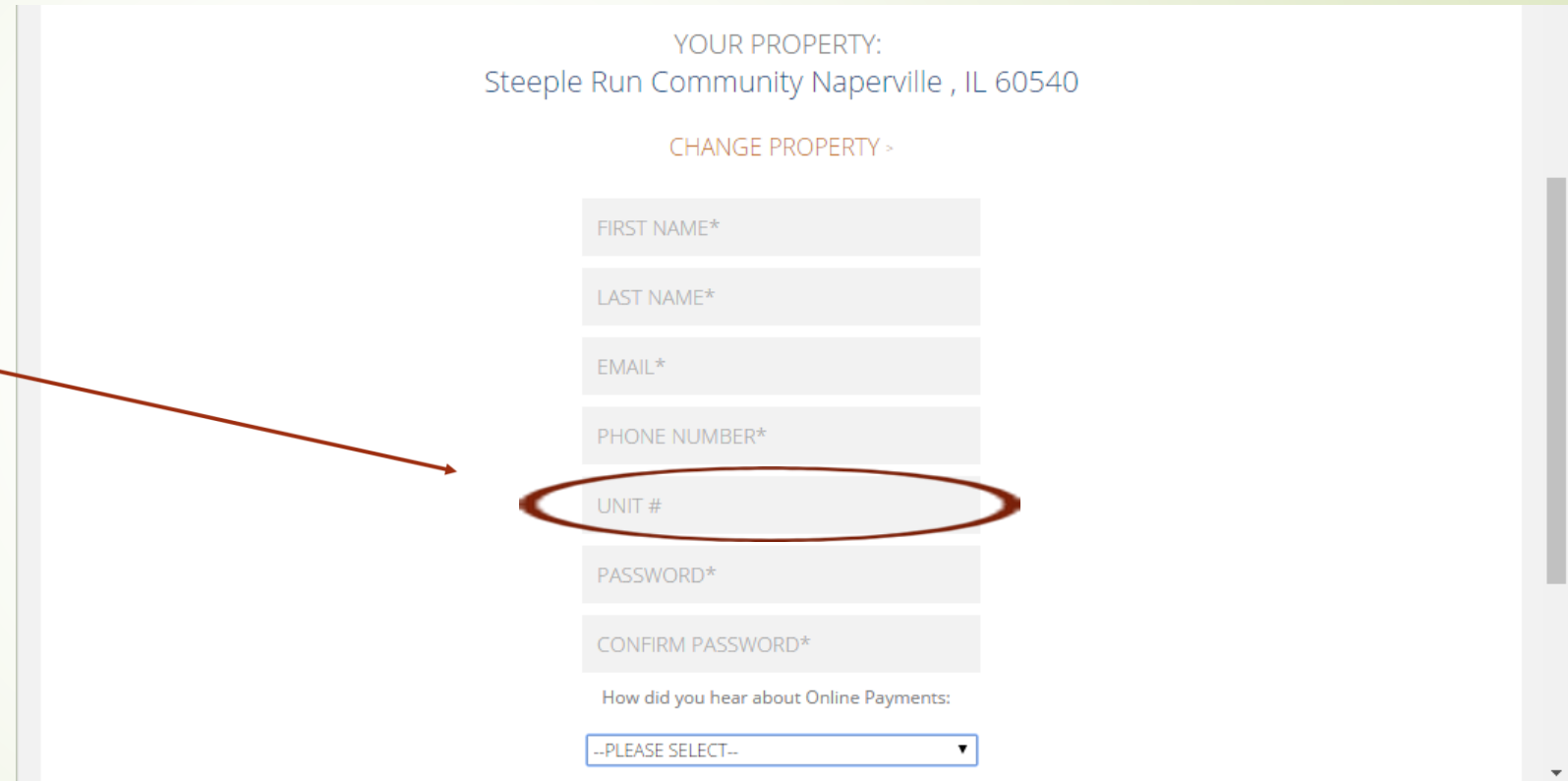
PayLease Registration Process

Select "This is My Property"

The screenshot shows the PayLease website interface. At the top left is the PayLease logo. Below it is a dark blue header bar with a back arrow and the text "CREATE YOUR ACCOUNT". Underneath is a search bar with the text "Search again or Reset this form." and a search input field containing "steeple Run Community". To the right of the search bar are "SEARCH" and "RESET" buttons. Below the search bar is a filter input field with the text "Enter Assoc Mgmt Co to Filter Result:". Underneath the filter field is a list of search results. The first result is "Steeple Run Community" with "Steeple Run Community Council" listed below it. To the right of this result is a dropdown menu with "This is My Property >" selected and circled in red. A red arrow points from the text "Select 'This is My Property'" to this dropdown menu.

PayLease Registration Process

Complete the form. The "Unit #" should be the Steeple Run "Lot #" and be in the format of "9-9999"



YOUR PROPERTY:
Steeple Run Community Naperville , IL 60540

CHANGE PROPERTY >

FIRST NAME*

LAST NAME*

EMAIL*

PHONE NUMBER*

UNIT #

PASSWORD*

CONFIRM PASSWORD*

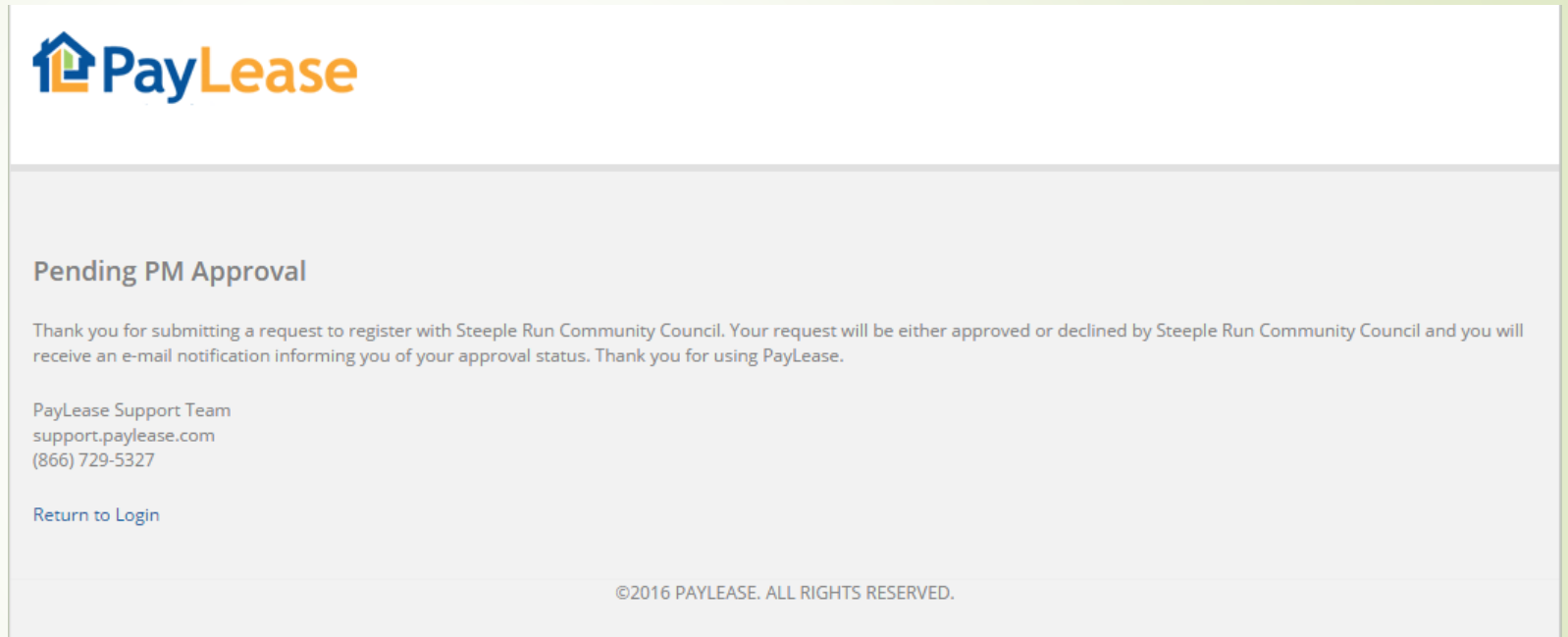
How did you hear about Online Payments:

--PLEASE SELECT--

The screenshot shows a registration form for PayLease. The form is titled "YOUR PROPERTY: Steeple Run Community Naperville , IL 60540" and includes a "CHANGE PROPERTY >" link. The form fields are: FIRST NAME*, LAST NAME*, EMAIL*, PHONE NUMBER*, UNIT #, PASSWORD*, CONFIRM PASSWORD*, and a dropdown menu for "How did you hear about Online Payments:" with the option "--PLEASE SELECT--". The "UNIT #" field is highlighted with a red oval, and a red arrow points from the text on the left to this field.

PayLease Registration Process

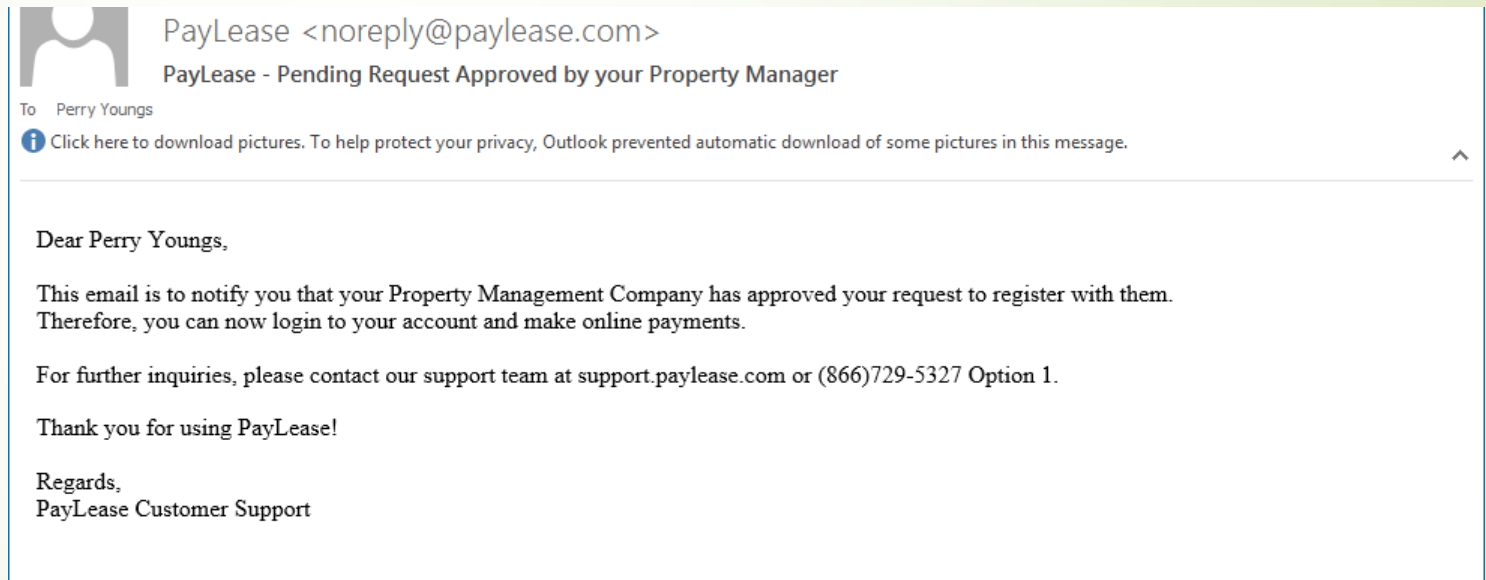
After submitting the request, you will see the following screen. Your request should be approved with an email to you in 1-3 days.



The screenshot shows the PayLease logo at the top left. Below it, the text reads 'Pending PM Approval'. A paragraph of text follows: 'Thank you for submitting a request to register with Steeple Run Community Council. Your request will be either approved or declined by Steeple Run Community Council and you will receive an e-mail notification informing you of your approval status. Thank you for using PayLease.' Below this is contact information for the PayLease Support Team: 'support.paylease.com' and '(866) 729-5327'. A link 'Return to Login' is also present. At the bottom right, the copyright notice reads '©2016 PAYLEASE. ALL RIGHTS RESERVED.'

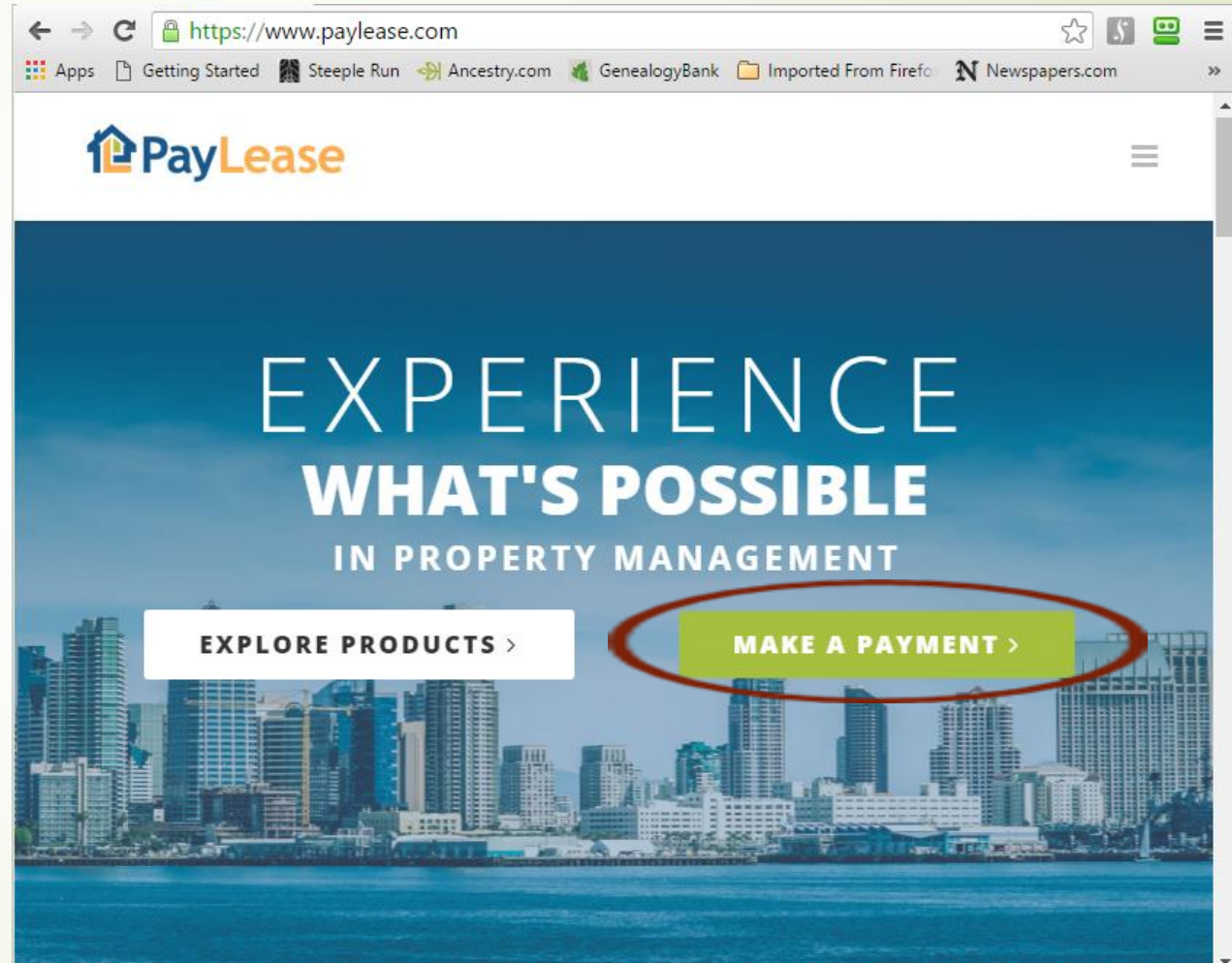
PayLease Registration Process

You will receive an email that will look like this. You can now make electronic SRCC Assessment payments.



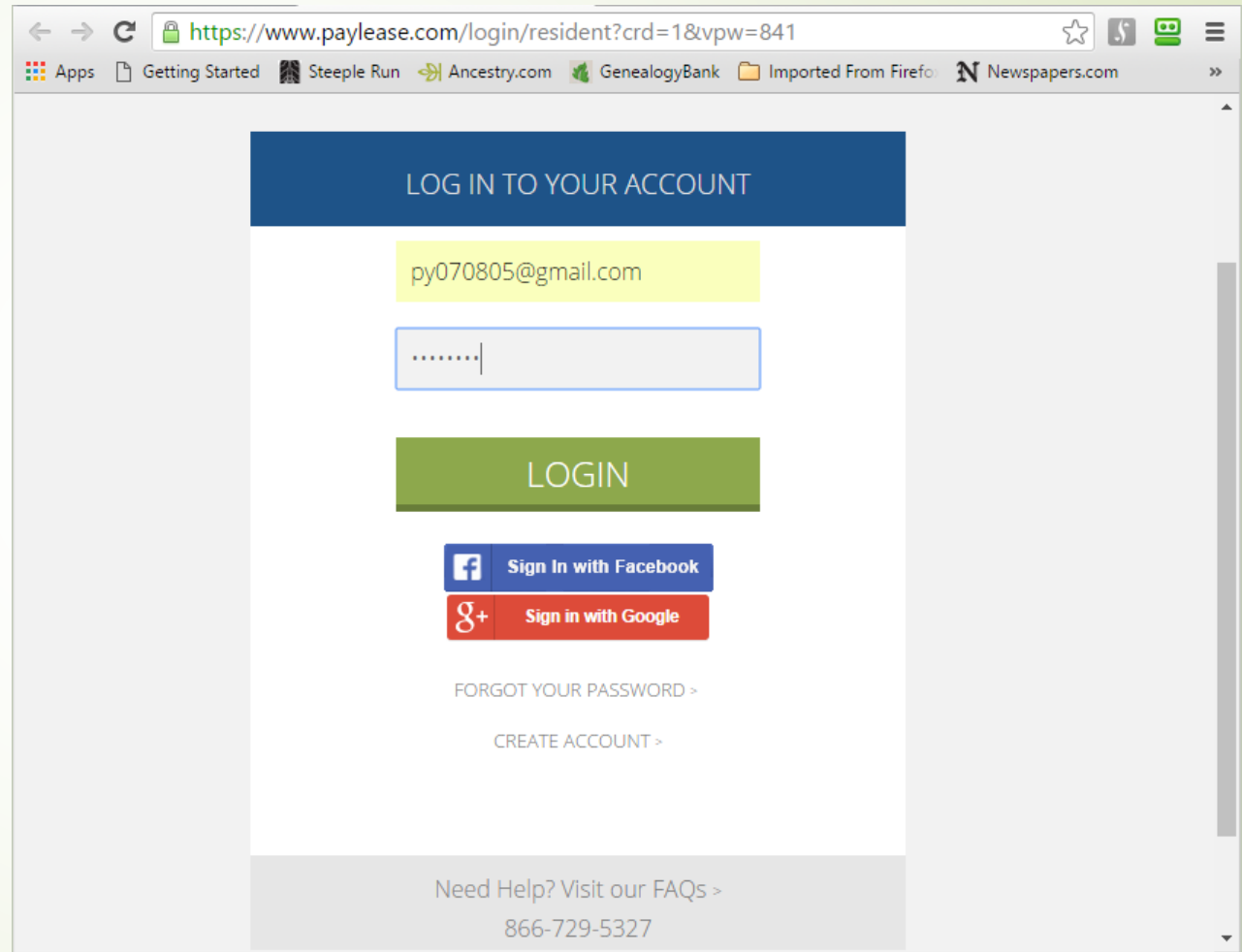
PayLease Assessment Payment Process

Go to
www.paylease.com
and select the make
payment button



PayLease Assessment Payment Process

Log In using your PayLease ID and PW
or you can sign in using your Facebook or Google Plus ID and PW



The screenshot shows a web browser window with the URL <https://www.paylease.com/login/resident?crd=1&vpw=841>. The page features a blue header with the text "LOG IN TO YOUR ACCOUNT". Below this, there is a yellow input field containing the email address "py070805@gmail.com" and a grey password field with masked characters ".....". A green "LOGIN" button is positioned below the password field. Further down, there are two social media login options: "Sign In with Facebook" (blue button) and "Sign in with Google" (red button). At the bottom of the main content area, there are links for "FORGOT YOUR PASSWORD >" and "CREATE ACCOUNT >". A footer section contains the text "Need Help? Visit our FAQs >" and the phone number "866-729-5327".

PayLease Assessment Payment Process

Select the My Payment tab and setup your Checking Account (no charge) or Credit Card (you will be charged a fee). Note: Your Lot# should appear on the left.

Welcome: Perry Youngs [Logout](#)

PayLease

Home Make Payment AutoPay Payment History **My Payment Methods** My Profile Help

Property: **Steeple Run Community 1-019**
Property Management Co: Steeple Run Community Council

MY PAYMENT METHODS

feedback

Manage Bank Accounts

ADD BANK ACCOUNT

Bank Name	Account #	Routing #	Type	Name on Account
You currently have no saved Bank Accounts				

Manage Credit Card Accounts

ADD CREDIT CARD

PayLease Assessment Payment Process

Select the Make Payment tab and enter **THE CORRECT** Payment Amount. If you have a question as to the correct amount, contact the SRCC Office. Press continue and follow the 4 step process and you are done.

The screenshot displays the PayLease website interface. At the top right, it says "Welcome: Perry Youngs" with a "Logout" button. The main navigation bar includes "Home", "Make Payment", "AutoPay", "Payment History", "My Payment Methods", "My Profile", and "Help". The "Make Payment" tab is selected. Below the navigation, the property information is shown: "Property: Steeple Run Community 1-019" and "Property Management Co: Steeple Run Community Council". To the right of this information, it says "ONE-TIME PAYMENT". A progress bar below the property information shows four steps: "1 Payment Amount", "2 Payment Method", "3 Review & Submit", and "4 Receipt". The "1 Payment Amount" step is currently active. Below the progress bar, there is a "Payment Amount:" label followed by a text input field containing "0" and a dollar sign symbol. A "CONTINUE" button is located at the bottom right of the form. On the right side of the page, there is a "feedback" button and a "Need Help? Click here for Support" button.