

# **Brooke Meadows Homeowners' Association**

---

To: All Brooke Meadows Residents

From: Jeff Rosenberger,  
Treasurer Brooke Meadows HOA

Date: May 24, 2017

Subject: Financial Update

This past weekend a number of you in our neighborhood contributed your time and talents to help us prepare the club house and pool area for our summer swimming season. It was impressive how quickly people divided up the work and did an awesome job, the club house, grounds and pool area have never looked better.

When the call for volunteers was posted a number of questions were raised as to why did we needed to have the association members do this work verses having a contractor or landscaper do this work for us.

There are a couple of reasons why we continue to ask for volunteers for activities like this.

1. When we come together to handle projects like these, we become more than an a homeowners association, we become a community. Working these projects together is more than saving money, it is about making new connections, finding new friends and getting to know each other in new ways, and giving people a deeper feeling of ownership of our common areas.
2. The second reason is to save money where ever possible.

This past January at our annual meeting the board reviewed the financial state of our association. For the first time since the association formed, we ended the year in the black with a positive balance. Through some prudent cost saving measures and an increase in the number of members paying dues, we are finally seeing positive cash flow. However, this doesn't mean we are where we need to be from a financial point of view. There are several factors your current board are working through with regards to our finances.

1. While we have positive balances we have several large expenses for repairs to our community that are under consideration. The first being the repair of our water features at the front entrance. Second, we need to make repairs to the surface of the tennis courts

before they become a safety hazard. We have repairs to the club house brick work and finally we have repairs/maintenance that county is requiring us to make around our retention ponds. Each of these items have price tags that have the potential to go above \$5000 dollars apiece. We will have to be judicious in how we spend our funds to address these items.

2. This leads to the second item the board is addressing. When the new officers were appointed in January, I was elected as Treasurer. In a review of our financial condition it was discovered that we do not have a reserve fund established. This reserve fund is monies set aside for future capital outlays that are sizable in nature. For example, we will need to be prepared to put a new roof on the club house at some point, the mechanicals for the pool will have to be replaced as they age, etc. We are working with our management company to conduct a reserve study to help us plan just how much funds we should be setting aside and to establish a schedule for when we anticipate some of this major capital outlays will occur.

While we are not operating in a negative position, we do need to keep a watchful eye on our finances and cash flow. To give you some perspective, our current 2017 budget is based on dues coming in to the amount of \$56,628.00 for the year based on 100% collections. Many of our residents have opted to take advantage of splitting their dues paying them in two installments throughout the year. This has to be accounted for as we manage our cash flow throughout the calendar year. On the expense side, the biggest single expense we have to cover is the ongoing maintenance to our pool & electricity, which is currently budgeted at \$24,315.00 for the year. Our full year budget for expense is \$49,169.00 without taking into account the big repair expenses listed above. We on the board are always looking to effectively and efficiently manage the needs of our community with the funds we have available.

As we continue through this year and as we prepare the budget for 2018, I will be sending out periodic communications to you, to help you better understand where we stand on our financials.

In the meantime, if you have questions or suggestions, please feel free to contact me or any member of the board.

Best regards,

**Jeff Rosenberger**  
**Treasurer, BM HOA**  
**Email: [boardmembers@bmhoa.org](mailto:boardmembers@bmhoa.org)**  
**Website: [www.bmhoa.org](http://www.bmhoa.org)**