

***UNIVERSITY PLACE
NEIGHBORHOOD ASSOCIATION
2019 ANNUAL MEETING***



DECEMBER 3, 2019

2019 PRESIDENT'S REPORT

LAUREN WILSON

THANK YOU TO ALL UNIVERSITY PLACE VOLUNTEERS!!!

- Architectural Review Committee: Carol Cascio, Kathy Sitterle, David Vanzant, Lissa Pygott, Bob Sills, Leslie Anders, Tami Cash, Ben Wilson
- Hearings Committee: Bill Bauer, Tony Carbonelli, Bruce Gilleylen, Ric Romanoff, Chris Abernethy
- Social Levar- Dolan, Louise ecky Linda y Lascari,
- New E Bishop Hanse elly arita
- Ponds Grego Jean
- Handy Pewte g
- CDD Board: Ernst Ruppert, Tami Cash, Armond Houze, Frank Ingrassia, Lauren Wilson
- HOA Board: Susan Lerman, Lissa Pygott, Sandy Rahman, Kathryn Murphy, Lauren Wilson



Thank you to all of the University Place Committee members and other volunteers for the countless hours you donate to make University Place a GREAT place to live!!!

A Special
Thank You

To...

Kathryn Murphy

**For your many years of service on
the HOA Board!!!**

Thank you for ALL you do!!!

WHO WAS YOUR 2019 HOA BOARD?

Lauren Wilson - President
Susan Lerman – Vice President
Kathryn Murphy – Treasurer
Sandra Rahman – Secretary
Lissa Pygott – Director

THANK YOU ALL for all you did in 2019!!!

Our goal as your elected HOA Board of Directors:

“Champion a sense of community for all residents, while striving to increase property values and ensure that residents, guests, and potential buyers have a positive experience while inside our gates.”

WHAT DRIVES YOUR HOA BOARD WHEN MAKING DECISIONS THAT AFFECT THE COMMUNITY

- **Preserve or Increase Property Values**
- **Always Remember our Fiduciary Duty to the Community**
 - **Be Forward Thinking**



WHAT WE HAVE ACCOMPLISHED IN 2019

2018: Year of Fiscal Evaluation => 2019: Year of Fiscal Strategy Implementation

- Management restructure to save ~ \$80,000 in contractually obligated annual expenditures beginning in 2020
- Selected a new landscape vendor to save ~ \$30,000 in contractual expenditures and to hopefully improve turf issues we have been experiencing throughout the neighborhood
- Completed Mailbox refurbishing project
- Replaced rusted Pet Stations, added Pet Station to Drayton Circle
- Painting of the buildings at both pools
- Added Umbrellas at both pools
- Updating all Amenity signage underway
- Replaced Charleston Broken Pool Heaters
- Addressed algae issues with Pond 14 by adding a bubbler system



MANAGEMENT RESTRUCTURING

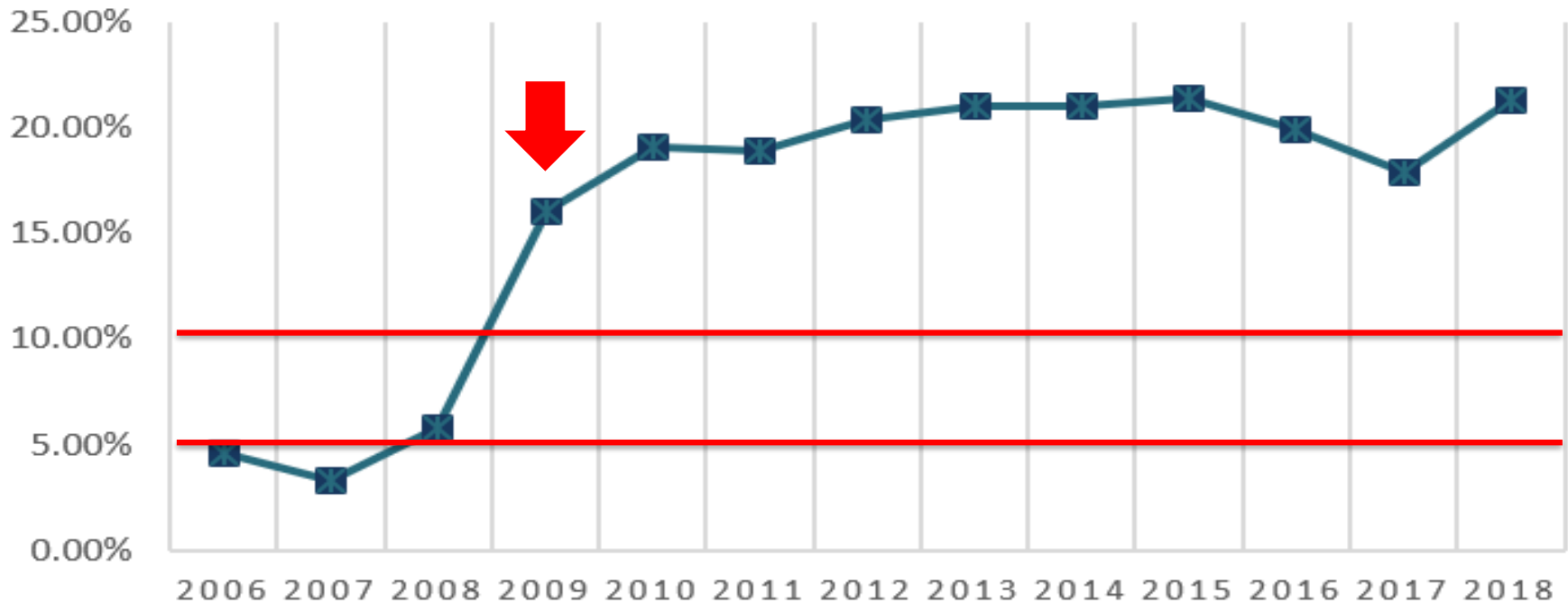
WHY DID WE RESTRUCTURE?

COMMUNITY MANAGEMENT COSTS OVER TIME



- The HOA was turned over by the developer to the community in 2005
- The initial management contract \$24,180, Portfolio Management structure with AMI
- Dec 2008 the Board added an On-Site Manager (cost reflected in 2009 management contract $\$24,180 + \text{on-site cost } \$59,580 = \$83,760$)
- The 2018 Board rebid the management contract since it had not be rebid since 2005. (Management costs were $\$28,935 + \text{on-site costs } \$80,528.82 = \$109,463.82$)
- Selected Sunstate Association Management for savings reflected in 2019 budget ($\$7,000$ management contract savings + $\$3,000$ on-site savings = $\$10,000$ SAVINGS)

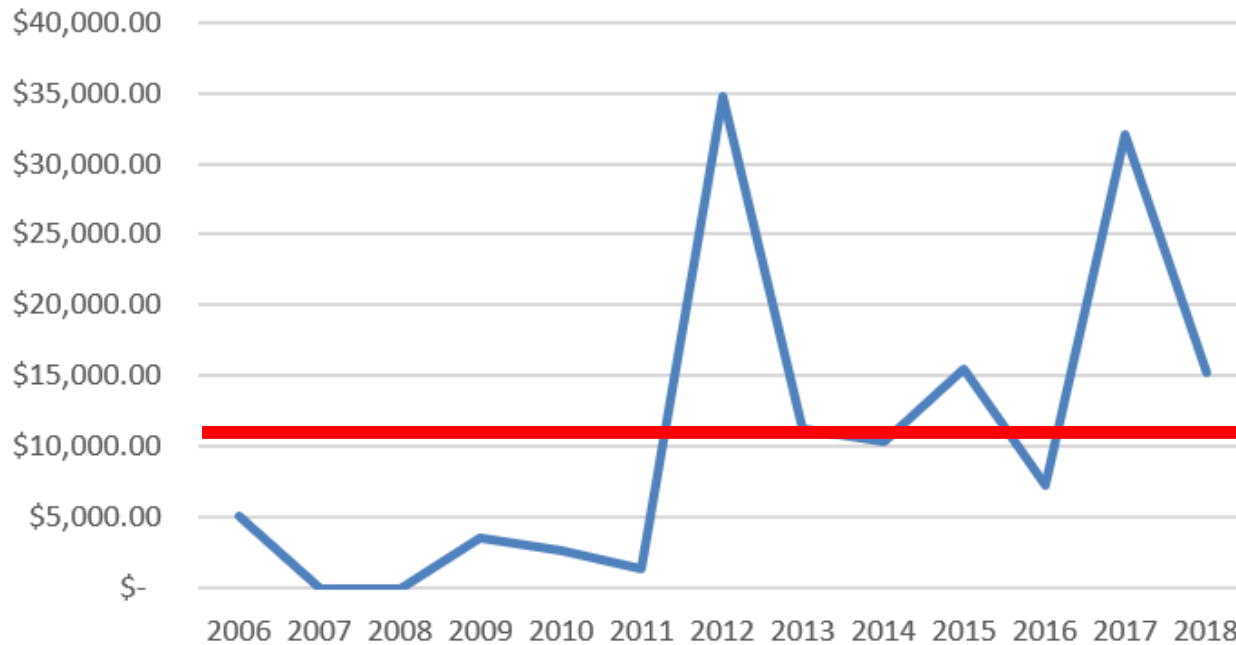
MANAGEMENT % OF TOTAL EXPENDITURES OVER TIME



- It is a recommended practice that community management fees remain between 5-10% of total expenditures
- Red arrow represents the year the decision was made to add On-site support
- From 2006- 2008 the % ranged from 4.56% - 5.75%, 2009 – 2018 % ranged 16.01 – 21.25%
- The % decrease shown for 2016 & 2017 is a result of increased overall spending (2015: \$487,604.43, 2016: \$526,163.78, 2017: \$609,134.45, 2018: \$515,151.81)

PROPERTY IMPROVEMENT SPENDING IS INCREASING AS WE AGE

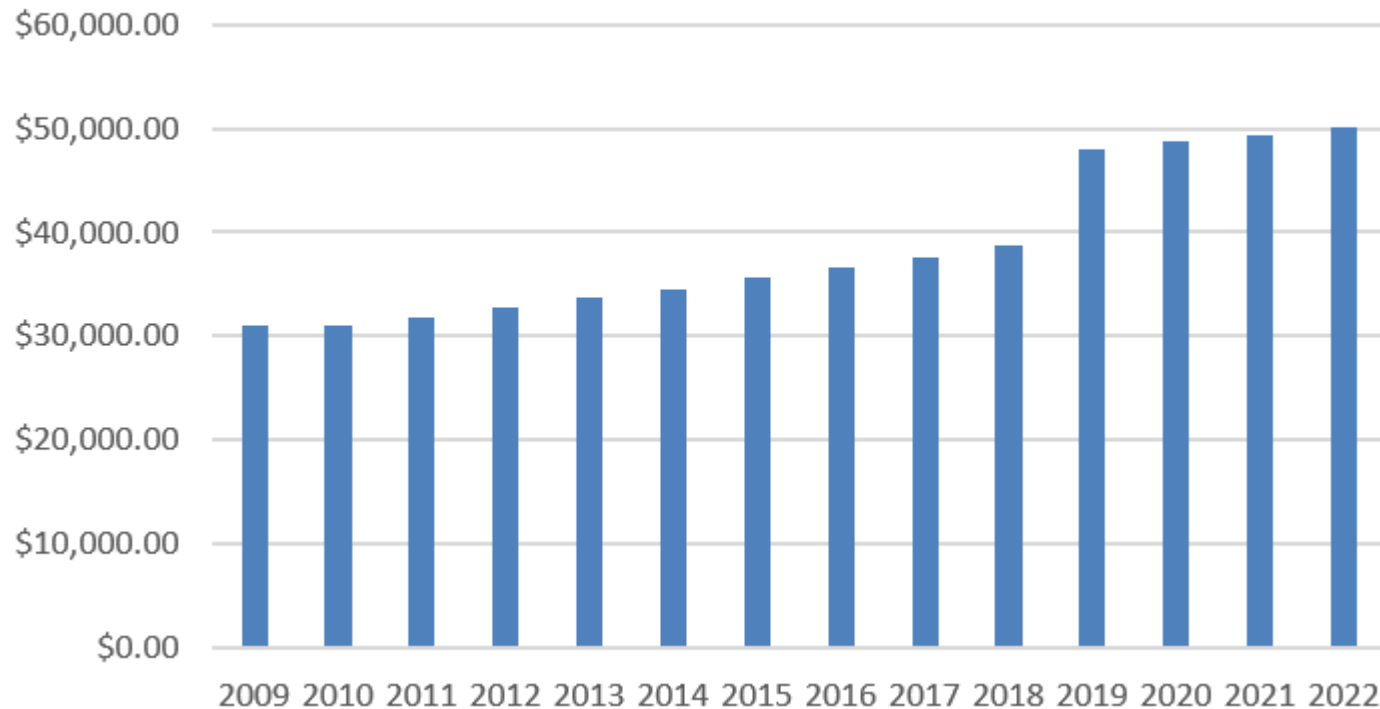
Property Improvement Spending Over Time



- The average investment for property improvements over the last 13 years outside of Capital Reserves has been \$10,688.51. (Red Line)
- \$\$ necessary to invest in improvements is trending above average. This is typical for an aging community.
- These improvements consist of mostly landscaping, new fencing, etc.

RESERVE FUNDING

Capital Reserve Funding



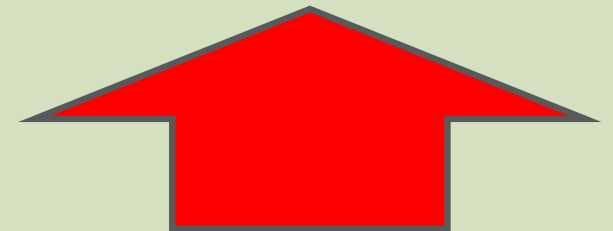
- Capital Reserve: a fund or account set aside for major long-term investment projects or other anticipated expenses
- Completed a Capital Reserve Study in 2007, 2009, 2013, & 2018 to properly identify future expenditure projections
- 2014 and 2019 required additional \$\$ contribution from our Surplus account

HOW DO WE PLAN FOR THE FUTURE WITH INCREASING COSTS?

**INCREASE
DUES?**

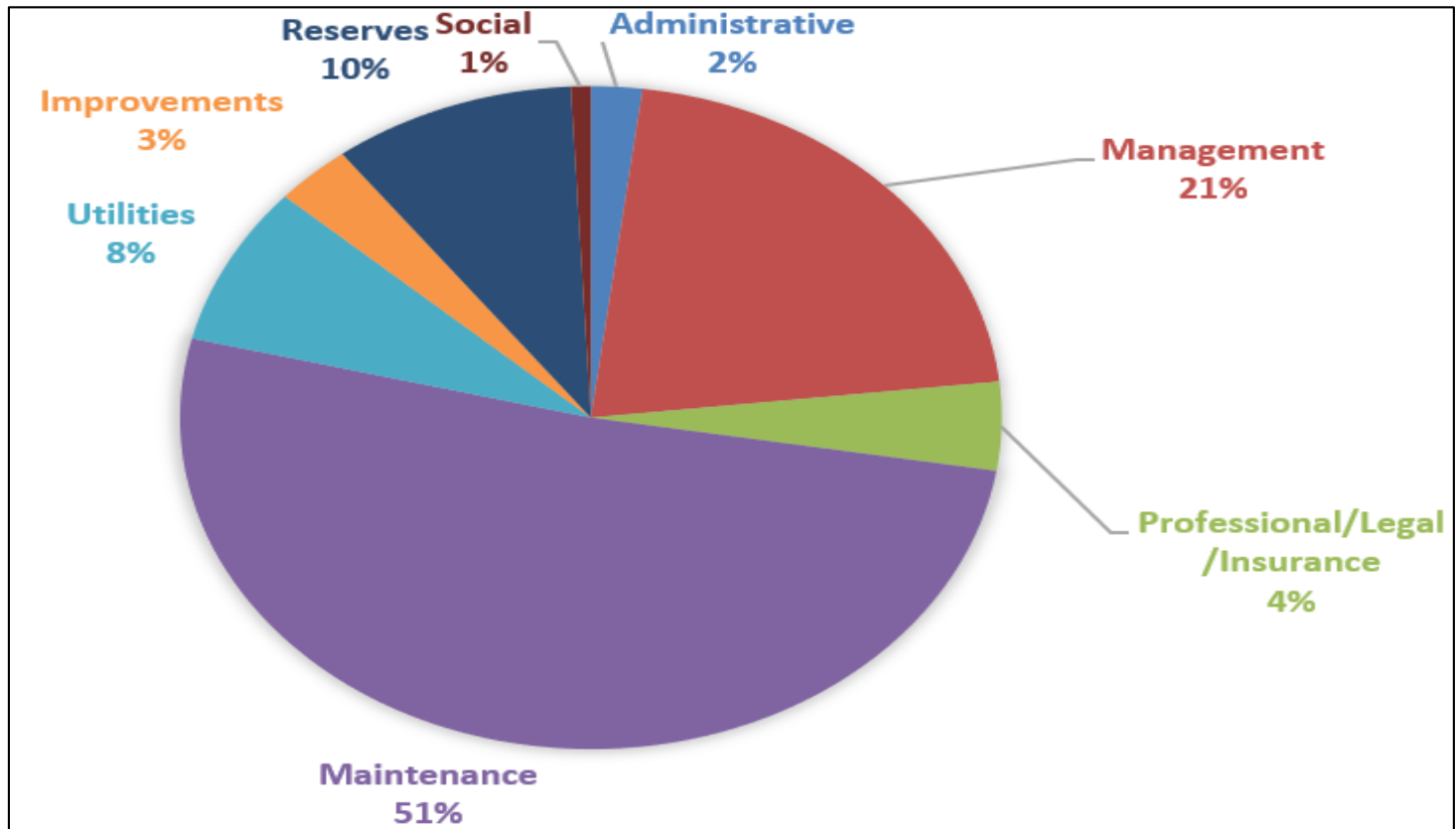


**REDUCE
SPENDING?**



HOW WERE YOUR HOA DUES SPENT?

2018 HOA EXPENDITURES



- It is recommend that management expenditures for a community of our size are between 5-10% of total expenditures.
- Our goal is to SAVE without sacrificing service.

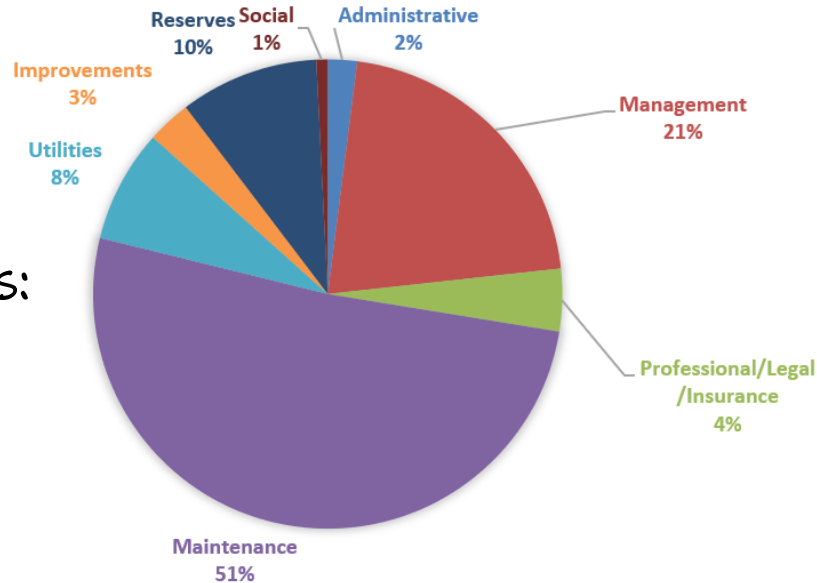
WHY PORTFOLIO MANAGEMENT MAKES SENSE

2020 Approved Budget
Reflects this model for
continued evaluation

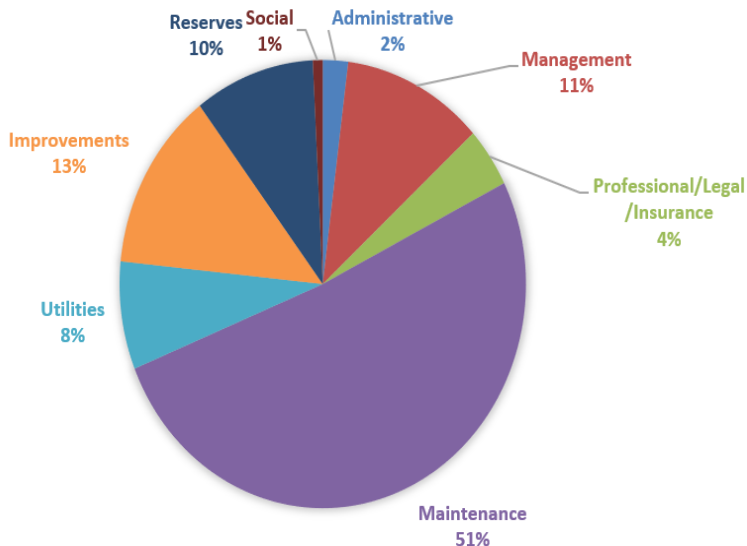


Portfolio + Admin
MGMT Cost Savings:
\$51,543.82
(2020 approx.
minimum)

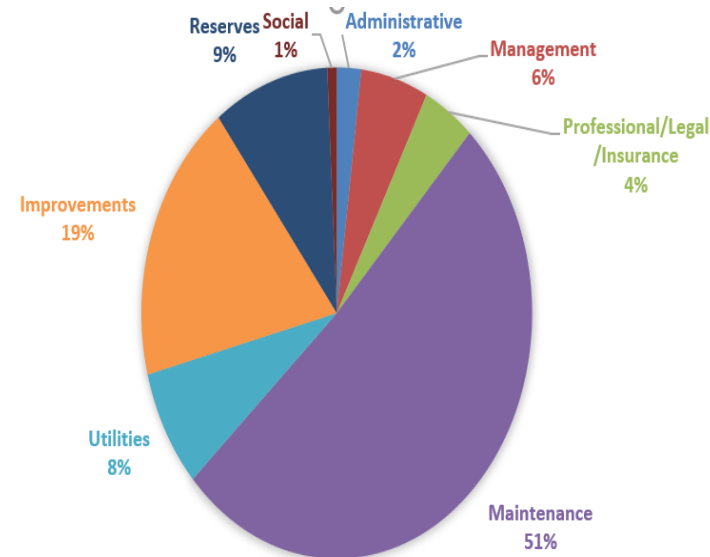
2018 Expenditures Breakdown



Portfolio
MGMT Cost Savings:
\$80,663.82
(2020 approx.
maximum)



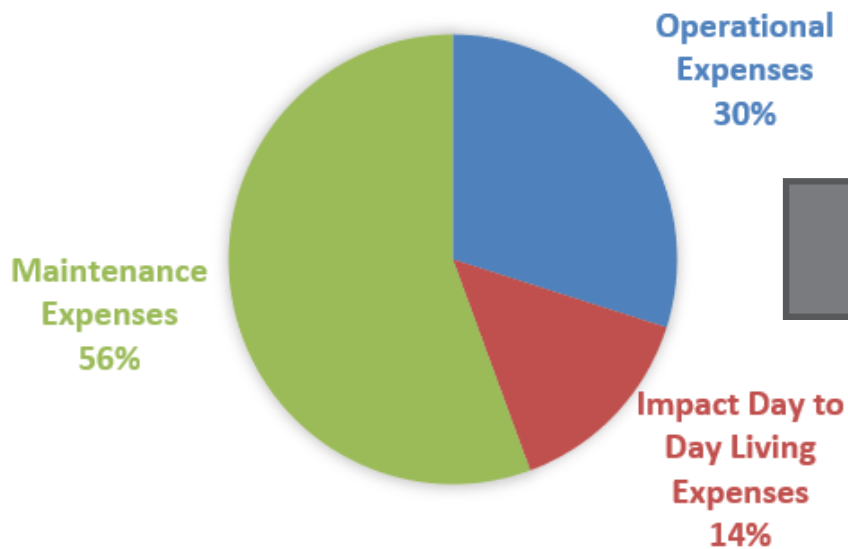
* Recommended
for a community of
our size:
management
expenses between
5-10% of
expenditures



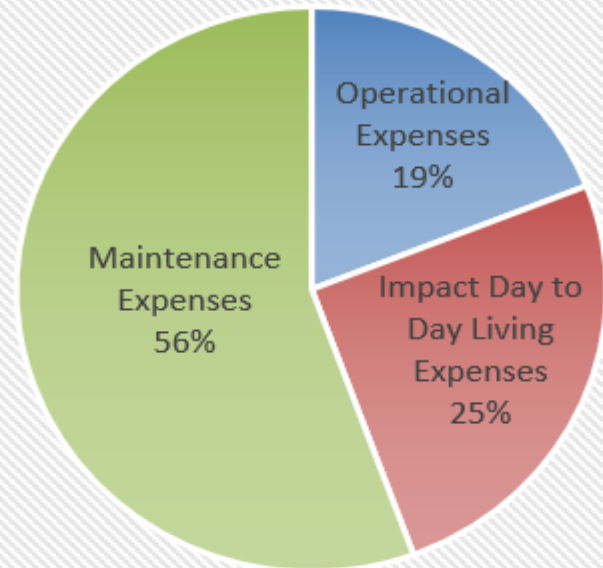
WE WANT YOU TO SEE YOUR \$\$ AT WORK!

2018 SPENDING VS. 2020 PLAN

2018 SPENDING IMPACT TO THE COMMUNITY



2020 Forecasted Spending Impact to the Community



- Simplify to 3 categories: Maintenance Expenses, Operational Expenses, Impact Day to Day Living Expenses
- Operational expenses include Administrative, Management, and Professional/Legal/Insurance
- Impact day to day living expenses include Improvements, Utilities, Reserves, & Social
- Forecasted Model based off of 2020 approx. minimum savings model
- If we modeled 2020 approx. maximum savings Impact on Day to day living would be 31% of spending

WHY DID WE CHOOSE SUNSTATE MANAGEMENT?

- Team Approach
- Process and Procedure Oriented
- Financial Savings





Sunstate Association Management Group

*Taking care of the details so you can enjoy
your community!*



*Michelle Thibeault
President, Owner &
CAM*

*Office Location:
5602 Marquesas Circle, Suite 103
Sarasota, FL 34233*

*Phone: (941) 870-4920
Fax: (941) 870-9652*



*Nicole Banks
Director of
Operations &
CAM*

WHY WE CHOSE DUVAL LANDSCAPING

- REPLACEMENT GUARANTEE for all plants they install and maintain
- Turf Care Warranty (if the grass under their care dies as a result of insect infestation the contractor will replace it)
- ~\$30,000 in Contract savings
- Weekly/ Monthly Quality review reports
- Free design consultation and illustration
- Homeowner reporting tool
- Customized approach

Weekly | Monthly Quality Reviews

LANDSCAPE QUALITY AUDIT

Property Name		CATEGORY RATING CRITERIA				
Street Address		5. Exceptional	4. Exceeds Requirements	3. Meets Requirements	2. Needs Improvement	
City, State		1. Does Not Meet Requirements				
Job #		Note: The Landscape Quality Audit is based on a set of written standards that are to be used to determine the score for each subcategory in the landscape that is being rated.				
Customer #						
Date of Report						
		Rating				
		1	2	3	4	5
1.0 LAWN						
1.1 Mowing Lines / Flat Cut						
1.2 Clump						
1.3 Lawn Aesthetics						
1.4 Weed Control						
1.5 Grass and Shrubs						
1.6 Irrigation						
LAWN TOTAL						
2.0 SHRUB BEDS						
2.1 Pruning						
2.2 Plant Health						
2.3 Weed Control						
2.4 Mulch						
2.5 Water and Fertilizer						
2.6 Irrigation						
SHRUB BED TOTAL						
3.0 SEASONAL COLOR						
3.1 Plant Appearance						
3.2 Pruning						
3.3 Plant Health						
3.4 Weed Control						
3.5 Water and Fertilizer						
3.6 Irrigation						
SEASONAL COLOR TOTAL						
4.0 GENERAL SERVICE						
4.1 Water Log/Overflow						
4.2 Debris Pick Up/Removal						
4.3 Physical Appearance						
4.4 Mulch						
4.5 Fertilizer						
4.6 Irrigation						
4.7 Communication w/ Property						
GENERAL SERVICE TOTAL						
REPORT SUMMARY	Category	Score	# of Inspected Plants	Score	Rating	Check Appropriate LGA Rating
1.0 LAWN						Exceptional (5.0)
2.0 SHRUB BEDS						Exceeds Requirements (4.0-5.0)
3.0 SEASONAL COLOR						Meets Requirements (3.0-3.9)
4.0 GENERAL SERVICE						Needs Improvement (2.0-2.9)
TOTAL SCORE						Does Not Meet Requirements (1.0-1.9)

The Landscape Quality Audit is based on a set of written Standards that are to be used to determine the score for each Subcategory in the landscape that is being rated.

- ✓ **Weekly Site Inspections** with association representative or designate.
- ✓ **Monthly Quality Site Review** conducted by Duval Management and Duval site management. The review specifically evaluates attributes of the of the landscape services provided such as turf condition, ornamental bed maintenance, flower program, irrigation system, and general site conditions. The goal is to meet and exceed current specification, improve lower scored areas quickly, utilize to analyze property trends from month-to-month and by the quarter. It's also used for field crew training and reward & recognize for the Duval site team when performance improves and maintained.



We Care About | Your Landscape | Your Priorities | Your Satisfaction



WHAT TO EXPECT FOR 2020

- **SMOOTH** transition to Duval
- Continue to identify areas for improvement with new management structure and implement cost effective solutions to improve
- Bathroom renovations at the Charleston Pool
- Office Renovations at the Charleston Pool
- Nature Trail Renovation Project
- **LANDSCAPE ENHANCEMENTS**



REAL ESTATE MARKET UPDATE



HOW DO WE COMPARE IN OUR MARKET?

Community	HOA FEE/ Month	SP/SQFT	CDD	\$/SQFT Trend	Pool	Fitness	Other
University Place	\$110	\$147-\$213 AVG \$175.53 (21)	Y	+11.5%	2	Y	Nature Trail, Play area
Riva Trace	\$194	\$170-\$226 AVG \$201.49 (10)	N	-8.4%	N	N	Kayak, Main. Free, Fishing Pier
Silverlake	\$72	\$118-\$163 AVG \$139.04 (17)	N	+2.2%	N	N	Play area
Barrington Ridge	\$61	\$116-\$183 AVG \$136.59 (16)	N	Flat	1	N	
Mandalay	\$123	\$107-\$188 AVG \$149.32 (15)	N	-6%	N	N	
Edgewater Village	\$10	\$135-\$221 AVG \$177.19(19)	Y	+2.4%	N	N	
Woodbrook	\$116	\$127-\$199 AVG \$172.48 (19)	N	-1.4%	1	N	
River Place	\$151	\$129-\$194 AVG \$152.78 (19)	N	-1.4%	1	Y	Kayak Launch, Club House
Mote Ranch	\$49	\$129-\$199 AVG \$159.77 (20)	N	-1.4%	1	N	Kayak Launch

2019 TREASURER'S REPORT

KATHRYN MURPHY

2019 BUDGET

	2019 Adopted Budget	2019 End of Year Est.
Income	\$ 613,254.00	\$ 618,969.00
Expense	\$ 613,254.00	\$ 625,658.00
Net	\$ -	\$ (6,689.00)

UP HOA BUDGET FRAMEWORK

Operating & Maintenance (O & M) Account (Checking)

- For day to day operation of the community

Retained Earnings (Savings)

- Accumulation of surplus/deficit from annual O&M accounts
- Emergency funds
- We vote on this each year to assure this is not taxed

Capital Reserve Account (Escrow)

- Replacement & major repair of designated capital assets
- Criteria \geq \$2,000, lasting at least 2 years
- Can be used only for this purpose

NOTE: All accounts are covered by FDIC insurance
All accounts are interest bearing

2019 O & M FINANCIAL HIGHLIGHTS

- ❖ Significant Savings

 - ❖ \$23,000 on personnel costs

- ❖ Major Budget Variances

 - ❖ New Capital Purchase Pond 14 aerator (\$21,500)

 - ❖ Sign replacement (\$3,745)

 - ❖ Handyman services (\$9,500)

 - ❖ Nature trail refurbishment (\$12,870)

FUND/RETAINED EARNINGS ACCOUNT

Oct. 31, 2019

- Fund/Retained Earnings = \$170,176
 - Carriage Run Account = \$7,053
 - For Carriage Run's portion of any delinquency bad debt
 - For Carriage Run's common use
 - Insurance Deductible Account = \$20,432
 - Covers the insurance deductible in case of property damage
 - Discretionary Account = \$142,691
 - Used to:
 - Avoid special assessments
 - Pay for special projects like the new aerator installed in Pond 14
 - Cover any increases in Capital Reserve requirements
 - Cover any losses due to delinquent accounts
 - Cover any overruns in O&M budget (about \$6,700 in 2019)

End of Year Estimate

- Retained Earnings = \$163,476
- Discretionary = \$135,991

CAPITAL RESERVE ACCOUNT

(END OF YEAR ESTIMATE)

Reserve Revenue

• Beginning 2019 Account Balance	\$	509,863
• 2019 Fees (deposits from HOA Fees)	\$	48,000
• Interest Income	\$	6,318
• Spent in 2019	\$	-103,570

2019 Year End Estimated Total \$ 460,611

MAJOR O & M CHANGES FOR 2020

Significant Increase in Maintenance Spending

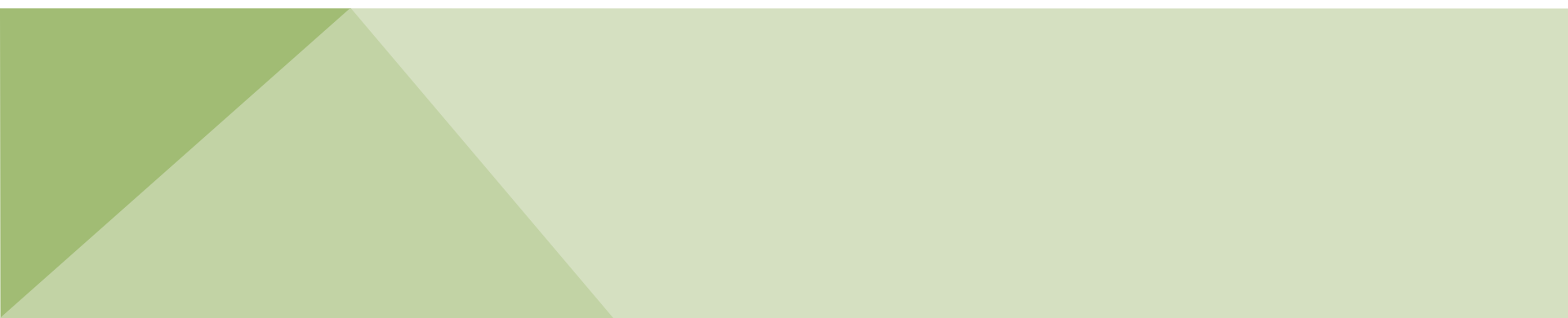
- Increase in landscaping and tree trimming (50%)
- New pool cleaning contract (22% increase)
- Spending more on general maintenance services (50%)
- More pool heat (50%)
- General utility and service rate increases
- Additional Capital Reserve contribution of \$20,000 (once)

Paid for by \$65,000 savings in personnel and landscape contract costs

NO CHANGE IN 2020 FEE

	2019	2020
Association	\$110	\$110
Carriage Run Supplement	\$120	\$120
▪ Total	\$230	\$230

**University Place
continues to have
strong and stable
finances.**

The bottom of the slide features a decorative graphic consisting of several overlapping green triangles and quadrilaterals in various shades of green, creating a modern, geometric design.

2019

GROUNDS REPORT

SANDY RAHMAN

Your 2019 HOA Board of
Directors THANKS YOU for
helping make University Place
a GREAT Place to live!!!