

## Countryhouse V Roofing Project March 24 Community Discussion Summary

Updated: April 15, 2023

This is a summary of the March 24<sup>th</sup> community discussion on our roofing project. For the benefit of both those in attendance and those who were unable to attend, this document attempts to summarize the presentations and discussion, and includes responses to many questions offered by the participants. In addition, this document provides an update of our progress to date and an outline of our remaining steps. As with other information on this topic, this report can be found on our HOA webpage, under Countryhouse News: <https://www.countryhousehoa.org/the-countryhouse-village-news/>.

Although to some this process appears lengthy, for a multimillion-dollar, multi-year project it is essential we explore the facts, understand the options, and fully engage the community. In the end, it will be all of us who will be affected by this major decision.

**Finance Committee Presentation:** The Finance Committee has taken a deep dive into the numbers and determined that, dependent on the scheduling of roof repair and replacement, *our goal may be achievable without the need for a Special Assessment*. It also may be achievable without a major increase in annual dues, or severe cutbacks in services. In short, this capital project can be managed within the funding scope of existing reserves and annual revenues, if scheduled appropriately.

During our March 24<sup>th</sup> discussion, our Treasurer, Martha Martin, outlined how it may be possible to use existing fund reserves, coupled with annual incomes and some balancing of expenses, to avoid a Special Assessment. Using a combination of models, Martha provided a proforma *example model* (a document guiding future financial planning), to show how it may be possible to cobble together existing and future resources towards this project.

In this *example model*, we used the replacement schedule first proposed by the 2021 Reserve Study, Appendix A, page 3. This study can be found on and/or downloaded from our AppFolio site, [https://millhousehoa.appfolio.com/connect/users/sign\\_in](https://millhousehoa.appfolio.com/connect/users/sign_in), under Shared Documents. The document was posted 8/30/2022.

**Please note that the *example model* was not an actual, let alone final, calculation. There has been some misunderstanding about this, for which we apologize. The document purposely stated in bold: **NOTE: THIS IS ONLY A PLANNING MODEL TO TEST BUDGET ASSUMPTIONS**. The actual numbers (estimated inflation rate, annual fees, roof costs and schedules, etc.) are being refined as more data is accumulated. The actual proforma proposal will be based on clearly stated and agreed upon Assumptions, actual roof inspection data, and other factors in our scheduling.**

**Roofing Committee Presentation:** The Roofing Committee, through their recent inspection of the initial seventy roofs in the project, has *advanced our knowledge of our roof conditions*. They are currently discussing the prioritization of the initial projects and developing the Request for Proposal (RFP), based on the guidance of the community, and the availability of financial resources.

In our March 24<sup>th</sup> discussion our Roofing Committee Chair, Tony Daniels, outlined the efforts of his committee. Tony shared slides of our roofs and pointed out the issues they have been investigating. There are 1,000 skylights in Countryhouse (not including Solatubes), 39 units have large round roof vents (homeowner responsibility) and 29 have satellite dishes. We just completed a roof replacement 330/331 Whisperwood, and we are performing roof inspections for the seventy remaining units in the first phase of the previous reroof project. The written report was due March 22<sup>nd</sup>, but the inspections were not completed in time for the Community Meeting.

**Information Update:** Since the community discussion on March 24<sup>th</sup>, the Roofing Committee has received the Consultation Report contracted to inspect the first seventy roofs in the community. These were identified as the oldest within the community, last replaced in 2000-2001. At the writing of this report, the Committee is developing a replacement schedule, based on the report's findings, prioritizing those roofs that will require the most attention.

The summary report, self-described as an 'advisory instrument,' provides us with good insight into our roof conditions, and at the same time gives us key factors to consider in crafting an RFP. These include materials, shingle types, flashing, ventilation, skylights, and expectations on installation and cleanup.

The great news, as the inspector notes in the report,

**'On nearly every building, a little maintenance could go a long way. Due to the good condition of the shingle materials and soundness of the existing flashing assemblies, *these roofs could last another five years, and perhaps more.*'**

In other words, we are on good footing.

Now, this does not mean we will wait five years (or more) to replace roofs. We are already repairing and replacing roofs. But this assessment of our oldest roofs does show that we are not in a dire situation, that we need not panic, and that our repairs and replacements continue to maintain the integrity of our roofing infrastructure. As such, we do have some flexibility to work with the Finance Committee on developing a reasonable replacement strategy that meets the needs and desires of the community.

**Community Discussion:** Through our March 24<sup>th</sup> Community discussion and other avenues, the community has offered its *input and guiding parameters* into how we define success in this endeavor, through a balance of need, resources, and acceptable priorities and funding. Following the initial presentations, the group was asked to gather at their tables to answer a few questions. These questions sought an understanding of the pressures, parameters, and priorities of the community regarding the roofing project, and other issues as well. Below is a synopsis of the primary points resulting from this dialog.

- **Roof repair and replacement is a top priority within the community.** Among the caveats, though, were comments about the assurance that replacement is needed. That we do not just replace roofs, if there is sufficient remaining life, as found through inspections. Plus, assurance that other capital projects, such as paving, siding, and drainage issues, are not put on the back burner if needs are identified. In other words, deference towards the roof project should not be a detriment to other capital needs.
- **Both affordability and quality are a priority.** There should be multiple bids on projects, and accepted bids should be based on cost, reputation, and quality of work. It is acknowledged that the term *affordability* has different meanings. These include the ability to pay (if Special Assessments were proposed), making sure we stick to our approved budgets (on which our annual fees are based), that projects are justified and not wasted, that pricing is justified, and that cost efficiencies (as in scope of work) are considered. Among all these considerations, quality of work is especially important.
- **Attention to the budget process and reporting is welcomed and necessary.** Including capital projects in our budgeting process is a plus. Ensure continued maintenance/safety procedures including trees, roofs, landscaping, and capital issues are included and prioritized. Avoid special assessments. Instead look for a reasonable and realistic approach to annual fees. There is a need to ensure that there will be sufficient ways to ‘stay the course’ over multiple years, to avoid surprises and challenges down the road. It is the goal of this Board to document a series of Business Practices specifically designed to ensure that the proper steps are taken, and that the community is engaged in budget discussions and development.

**Other General Questions:** Participants were also asked to offer any additional questions or concerns they may have. Please reference the attached **APPENDIX** for these questions, and summarized responses.



**Next Steps:** The following is what needs to occur:

- **Evaluation of the Consultation Report** (inspections) and establishing a proposed initial schedule for consideration with and by the Finance Committee. With the receipt of the inspection report, this effort is already in process.
- **Development of the Financial Model.** This will begin shortly, including the new inspection data to be discussed with the Roofing Committee. In addition, we will be sharpening our pencils in addressing other Assumptions to include inflation rates, other capital projects, and other essential considerations. These Assumptions will be included, upfront along with the proposed proforma. The community will be asked to review, offer comment, and eventually concur with these Assumptions, as they are the basis for all financial calculations and decisions.
- **Development of a Request for Proposal (RFP).** The Roofing Committee is already beginning to focus on this endeavor. Findings and recommendations from our initial Consultation Report, along with earlier RFPs and discussions, will help inform the creation of this document.

**Communication and Continued Engagement:** We are about finished. *Our plan is to have this all wrapped up and accepted by the community at large by July*, at the latest. In that there is no expected Special Assessment, nor increase in fees to exceed 10% as is currently allowed, there is no anticipated need for a referendum or approval of additional permissions for the Board. With that said, there is an expectation that we will all continue to share what we know, as we know it. And there is also an expectation that the community will remain involved, offering input, observations, and ideas.

- We plan to continue with our updates with short status checks every other week. These will be electronic, with some mailings as deemed necessary.
- We will post all of these updates, and requisite documents (including this report, proposals, etc.) on our website, again at, <https://www.countryhousehoa.org/the-countryhouse-village-news/> .
- We will also continue to provide updates, and an opportunity for some discussion, at our monthly meetings. Since January, the meeting format has been restructured to encourage engagement by those in attendance, and Roofing has become a standard agenda item, until we have determined our plan to succeed. We encourage you to attend.
- Also, you are welcome to contact any of us on the Board with questions, comments, and recommendations on this and/or other matters. Our contact information is on our website, <https://www.countryhousehoa.org/board-of-directors/>.

**In Closing:** *We are all partners in the Countryhouse Homeowners Association.* Every one of us. The members of the Board are members of the community, the volunteer committees are our neighbors, and the budget, the money, and all the issues belong to us all. Therefore, decisions belong to all of us as well. And from the feedback we have received, folks wish to remain engaged and informed. This is wonderful! This is how we become, as a friend and neighbor says, a “common good community.”

On behalf of the entire Board of Directors,



Larry M. Hicks, President

## **APPENDIX FOLLOWS**



## APPENDIX

**Other General Questions:** Participants were asked to offer any questions or concerns they may have. The answers below encompass the general focus of these questions. Note that not all questions or concerns relate to just the issue of roof replacement.

- Roof replacements incorporate all that is necessary to ensure a safe and long-lasting roof. This includes substructure repairs, flashing, and shingle standards. It is planned that all roofs subject to repair and/or replacement are preceded by an inspection. Other issues may be discovered and addressed as the project is underway. Garage roofs are being considered and will be addressed as warranted. But there currently is not a wholesale effort to replace all garage roofs.
- Roof inspections/surveys will continue throughout the project(s) to inform us as we develop our repair/replacement schedule. We requested multiple bids for the inspection work on the first phase. The goal is to avoid a conflict of interest. Also, the hope is to have inspections before, during, and after roof work, to ensure quality effort. The quality of work is critical to the long life of a roof. It is also essential that cleanup is an expectation and outlined in our RFPs.
- Roof longevity is based on many factors. In addition to the quality of materials, the quality of installation is essential, followed by periodic inspections and repairs as needed. There is no magic formula that can calculate exactly when a roof requires repair or replacement. Therefore, inspections, and due diligence on ensuring roof integrity (removal of debris, trimming trees, for example) is important. The Board will be discussing the scheduling of these preventative steps to maximize our effort within the confines of the budget.
- Gutters are an issue beginning to emerge as we continue to launch the replacement program. The current policy is for homeowners to install gutters with sufficient leaf guards. It is highly recommended that you do so. Countryhouse has guidelines for uniform installation of gutters, gutter covers, and so forth. We will need future discussions as our projects evolve.
- As with the entire budget process and proforma development, the final proposal for costing and budgeting for the roof projects will take inflation and project costs into consideration. It should be noted that the proforma offered at the meeting was an *example* to show how adding existing fund reserves into the equation can affect the need for a special assessment. Furthermore, as is typical in capital and budget planning, multi-year proforma documents are reviewed and adjusted annually, to avoid surprises. A budget is a planning document, as is a proforma.

- Over the past two years, we have been migrating to a cost-based budget, which now includes capital projects. So, for the first time ever, we all get to see our revenues and expenses as they are budgeted, and as they are accumulated and spent. All of us are encouraged to review the monthly budget reports sent to every member of the HOA, and to ask questions as needed. Understanding the differences between symptoms and problems (budgets, priorities, issues), and viewing the whole picture, is how we can remain successful.
- Currently, our budget proforma calculations are scheduled to include, if only as a placeholder for now, siding, paving, and drainage as capital projects. Our current budget, as can be seen in the monthly budget reports everyone receives, includes all but drainage. There are plans to add that item as a capital budget line soon. Repairs for these items are already in the budget. These are separate, however, than larger-scoped major capital replacement projects.
- Landscaping is a major budget item. It includes lawn care, plantings, mulch, tree trimming and removal, and so forth. And as such, there were concerns raised during our conversation. It is expected that this conversation will expand as we look at all our services. Folks are invited to take part in offering issues and, equally important, ideas on landscaping. Better yet, come and join one of our committees!



# Tally Results

## Breakout Group Findings

Questions were classified into the four areas: priority and affordability of roof replacements, biggest concerns, questions, goals, and outcomes.

### Priority and Affordability of Roof Replacements

The tables below summarize the priority and affordability of roof replacement responses:

<b>Do you consider roof replacement a top priority?</b>	<b>N=12</b>
Roof replacement is a top priority!	67%
How are capital projects being planned and if siding and paving have been taken off the table for the next 6-10 years?	17%
What about landscaping, what do they do? Do we really need all of their services? Can we as homeowners do some of the work?	8%
Could assessments be saved for emergencies only?	8%
Roof replacement priority should depend on if it is needed and if there are leaks, etc.	8%

<b>Should affordability be a priority in roof replacement?</b>	<b>N=8</b>
Affordability and quality are equally important	38%
Affordability has to be a priority	25%
Quality must be a priority	25%
At a minimum of three contractors is needed per bid	13%
Affordability is an individual concept as well as a community concept	13%

<b>How do you define affordability?</b>	<b>N=8</b>
Portioned payments including schedules for specific categories for roofs, siding, and so forth is important	25%
Liked the idea of a 5% HOA increase every other year and feel this would be affordable	13%
Rating roofs was important to ensuring pricing is realistic and to be aware of potential conflicts of interest	13%
We must stick to the budget that was voted on	13%
We need to get several estimates	13%
Defined affordability with a minimum/maximum cap per unit	13%
Defined affordability with the cost of Whisperwood (first to be replaced) w/out skylights? New estimate figures?	13%



## Areas of Concern

The tables below summarize what they are most worried about/their biggest concerns:

<b>What are you most worried about? What are your biggest concerns?</b>	<b>N=21</b>
Do not want a large one-time assessment. A suggestion was smaller yearly increases over the long run.	19%
Will a 5% increase every two years be enough to address inflation?	19%
Concerns about continued maintenance/safety procedures including trees near homes/roofs, landscaping, mulch build up, and how to cover all capital issues? Managing within ongoing budget planning adjust other areas, etc. and they love capital line as part of the budget approach.	19%
A concern that we will not be able to change the by-laws	5%
Worried about the process approach	5%
Questioned how/who will stay the course per the budget?	5%
How much will it cost if the skylights are not replaced? (e.g., Whisperwood)	5%
How are we deciding on the integrity of the roofs?	5%
Many bids should be considered and also asked for other factors to be considered including schedule of payments and wear and tear caused by sun exposure	5%
Suggestion of publishing every contract online, update as needed monthly, and include bids for roofing	5%
Have garage roof replacements been factored into the cost estimates? Feel that roof replacement was a top priority	5%

## Other Questions/Concerns

The table below displays the questions or concerns the participants listed:

<b>What other questions or concerns?</b>
Are wood panels, substructure included?
Tree damage causing roof issues?
How do gutters factor into replacement process?
Will roof surveys give estimates of when roofs should be replaced across the community?
Who is doing the inspection of the roofs? Any conflicts of interests?
Understanding the differences between symptoms and problems (budgets, priorities, issues) seeing the whole picture
Besides the flyers and emails, please put information on website, keep us updated
Can contractors please keep nails out of the driveways? Clean up after themselves!
How do we best become a "common good community"? Where we share our investment in the HOA and decide on services and priorities.
Where are the gutters draining?
Too much mulch in piles. Attracts bugs, is a waste.
What about garage roofs?
Do cost estimates/HOA fees towards reroofing include the calculation for inflation, and related increases in materials every year?
Roof debris (keeping roofs clear of pine needles)? Roof orientation, sun exposure, important to consider when considering longevity.
We need more information on expenses and the schedule for roof rollout. Please keep us informed.
Is there a specific fund for roofs, paving, siding, drainage?
What is the basis for roof replacement? 22 years vs. 40 years.
Drainage is a large problem and should be addressed as a capital issue
What is the schedule for getting this done?
Country House should look at uniform installation of gutters, gutter covers. Lack of gutters and lack of attention to gutters causes huge issues.
What is communicated to the public outside of Farrington? Example: We have townhomes for sale and realtors have a wide variety of info on our roof issue. And they are communicating bad info to perspective buyers.
Are wood panels, substructure included?
Tree damage causing roof issues

## Goals/outcomes

The tables below provide the comments captured as it relates to the goals they feel are important and the best outcomes:

<b>What goals/outcomes are important?</b>
Glad that everyone had the opportunity to voice their opinion.
How will we move forward?
I support the plan that the Finance Chair proposed. Which was no special assessment and 5% increases every other year.
Most important goal of workshop: information and buy-in to alternatives and solutions
"Reserves" should be a CAPTIAL FUND that cannot be raided for unexpected expenses.

<b>Best outcome/solution?</b>
Frequent updating of plans, progress via website and emails. Also like the flyers being distributed. Keep us informed.
When we all share the HOA proceeds and receive service equally.
Pay as you go and BUILD THE RESERVE!
The community needs to understand rationale behind solutions.

## End of Event Survey

A voluntary survey was handed out at the end of the meeting and participants were asked to share what went well concerning the event, what was one question they may still have, and additional suggestions.

	<b>N=29</b>
<b>What Went Well?</b>	
Appreciated the facilitation, organization, time mgmt., visual aids, and format	52%
Enjoyed the open/participatory style of communication, transparency of idea, openness of opinions, opportunity for input	48%
It was too noisy and hard to hear	7%
Everything and that we are headed in the right direction	7%

	<b>N=25</b>
<b>What's One Question You Still Have?</b>	
How roof assessments will be managed and what is the timeline for replacements? Will there be a special assessment? Must the by-laws change? Will there be varied ways to pay (i.e., one-time, monthly assessments, etc.), number of roofs in phase 1 and 2-5 with a listing of what's been done, how long will each phase be, replacement schedule for the 46 homes for which the 600k funds are available, results of roof reviews, how realistic is planning since we don't know the conditions of the roofs?	32%
What is the next step and when will decisions be made	20%
Concerned with affordability, quality, and cost. How are they going to pay?	20%
If gutters were shown to be an issues and should HOA be responsible for them being uniform?	4%
Who will keep this forum?	4%
Want to see the inspector's report to understand where they are with roofs	4%
For the next meeting need to have in depth budget report	4%

	<b>N=25</b>
<b>What Suggestions Do You Have?</b>	
Keep up the good work and continue the dialogue. Suggesting semi-annual or quarterly meetings covering one major topic each and continued communication through emails, flyers, and FHA website or Countryhouse website.	40%
Acoustics could use some improvement esp. for the breakout tables	12%
Revisiting landscaping contract and allow homeowners to clean their own yard, asking about drainage and what can be done. One suggestion was to eliminate mulching around homes as it is already built up by several feet and causing drainage problems. Sidewalks become a river and directing water into garage and houses and causes breeding ground for ticks.	12%
Provide monthly info on capital and reserve budgets as well as operating funds	4%
Have speakers introduce themselves and where they live	4%
Should have had the roof inspection report prior to the meeting	4%
Let me know how I can help	4%
If roof assessment is not a onetime fee, will we have option to pay individual amount owed prior to selecting the house? That way it will not impact the sale, because of having extra assessment	4%
Keep grappling with reality- comprehensive expenses. Most practical solutions for most, You are brave souls. Thanks for such responsible and caring work!	4%