



PARK PLAZAS NEWS

www.ParkPlazas.org



From the President

Let's talk about our Reserve Fund ...

PPCSA owns a lot – 36 paved plazas, plaza and pathway lighting, water and sewer lines within plazas, 3 paved parking lots, 8 miles of paved trails with related benches, bridges, and culverts, as well as ramadas, exercise and playground equipment, 442 mailboxes, 500 water sub-meters, 100+ signs, 2 tennis courts, a dog park, an RV storage lot, irrigation systems, a truck, tractor and golf cart and a fenced maintenance yard. These assets have *finite* useful lives and *eventually need to be replaced*. The purpose of a “reserve” is to fund replacement costs – hence, “Reserve Fund”.

We all use and enjoy these assets daily. As the assets depreciate each year, theoretically we should contribute the value of depreciation that occurs (expressed as a portion of the eventual replacement cost) into the Reserve. Otherwise, *we are leaving it to future owners to bear our share of those costs*. That's unfair.

PPCSA engaged Association Reserves to conduct a professional reserve study this year – I think the first done for Park Plazas. Formed in 1986, the company has conducted 60,000+ studies nationwide and is an industry leader. An Executive Summary and the full Study are at www.ParkPlazas.org under Resources ➡ Documents ➡ Public Forms.

The Study projects that on January 1, 2022, our \$1,047,000 reserve will be 32% of the appropriate level (roughly \$3,234,000) – on the “weak”/“fair” borderline with a “medium” risk that, unless contributions increase, special assessments to fund replacements will be required – or assets can't be replaced and will continue to deteriorate, adversely affecting property values and our quality of life.

Our goal should be to be at least 70% funded –

considered “strong”, presenting a “low” risk of special assessments or deferring replacements. To begin to achieve that goal, the Study recommends increasing each lot's monthly contribution to the Reserve Fund by \$7 from \$45 to \$52. *This \$45 amount was established in the mid-1990s and has remained unchanged ever since*. Keep in mind that the Consumer Price Index, indicating changes in the cost of goods and services, *has increased 80% since 1995*.

Frankly, our Reserve Fund has never been adequately funded. That means, for example, that as owners since 2006, Judy and I haven't contributed our fair share annually though we've used and enjoyed the assets. We've “kicked the can down the road” to future owners to fund the shortfall for us. *While I use Judy and myself as an example, the same is true for every owner*.

The Board will adopt the 2022 budget in November. I believe the \$7 increase, if not a greater increase, in our Reserve Fund contribution will be approved. Without the \$7 increase, the Study projects we exhaust the Reserve by 2027; even with it, we don't reach the 70% “strong” funding level with a “low” risk of special assessments or deferring replacements until about 2040.

Parenthetically, while our \$105 monthly assessment has remained unchanged since 2012, the CPI has increase some 18.5% in the meantime. The reality is that as costs go up, assessments must, too.

Please review the Executive Summary and full Study to appreciate the approach taken and methodology employed, see when and to what extent specific assets need replacement and learn how replacement costs were determined. If you have questions or comments, please share them with me at cisnelawyer@gmail.com.

Tom Carr, President

Transition Report

Returning Park Plazas to self-management is now underway. Our contract with WestGate runs through December 31 and they will continue to provide management services, including management of our accounting function, though year-end.

During our initial re-transition meeting with WestGate, we asked about software to help us manage Park Plazas. Tom Simon, who had just returned from an industry conference, suggested we take a look at a program called TOPS One. I researched their product (and others) and was impressed by their feature set.

We had several meetings with TOPS One staff, asked about the areas of importance to us, explored other software features we can leverage, and had an extensive product demonstration. After careful consideration we decided their feature set was a great fit for our needs. We signed the contract last week. The implementation is about a 10-week process that will begin mid-October.

Initially, our major areas of focus include the accounting function, the water billing system, committee support, communications, covenant enforcement, infrastructure and landscape management. This represents a wide range of processes, resources and information that will support our community.

- Early on we'll focus on populating TOPS with our data, creating the general ledger chart of accounts, and adding our documents. Verifying the accuracy of our data all along the way is an important part of the process and we may ask for your help with verification at that point.
- As we get closer to year-end, we'll set up the water billing process and test various methods of communication to the community as a whole and to various sub-groups.

The TOPS One website interface will function similarly to our current website with a general public area and a "members only" area that requires a user name and password for access.

Regular meetings with WestGate are planned and we'll keep the community informed of important developments as they occur.

Richard White

Board Notes

The Board met on September 22 for a regular monthly meeting.

- Due to his employment as Manager commencing in October, the Board accepted Richard White's resignation as a Director and Treasurer.
- They elected Chris Bartsch as Treasurer, succeeding Richard in that position. We appreciate Chris' willingness to accept this additional responsibility.
- Richard continues as Secretary.

The Board did not appoint a person to succeed Richard as a Director. Anyone interested in being considered for that position (which will be filled at the October regular meeting) should email an expression of interest and brief resume to Tom Carr at cisnelawyer@gmail.com.

Shortly before that meeting, Tom will circulate all such expressions of interest with the accompanying resumes to the remaining members of the Board, who, under the PPCSA governing documents, will select a Director to replace the resigning Director. The replacement will be appointed to serve the balance of Richard's term, which expires at the Annual Meeting in March 2023.

Other actions were the following:

- To accept the Architectural Control Committee's recommendations that (i) the existing Guidelines for stucco and trim remain unchanged, and (ii) four transparent stains be identified as the only treatment permitted for fences. See article with specifics on Page 4.
- To agree to permit David Harding to continue as Chair of the RV Lot Storage Committee after he moves from Park Plazas, with the right to continue to store an RV in the Lot, in recognition of his diligent and capable oversight of the Committee and its responsibilities.

The Board discussed but took no action with respect to the Reserve Study prepared for PPCSA by Reserve Associates, a leading nationwide firm in that area of endeavor. Both an Executive Summary and the full Study are posted at www.ParkPlazas.org, see Page 5 for details. Please read a discussion of our reserve situation and the Study implications in "From the President" on Page 1.

All owners are encouraged to read these important, detailed documents carefully. The Study will be the basis of the Finance Committee's recommendations to the Board concerning funding of our reserves in the future. Assuring that the PPCSA has adequately funded reserves is the fiduciary responsibility of the Board.

Subject to intervening developments with respect to the COVID-19 pandemic, the next Regular Meeting of the Board will be in-person – Rodeo Plaza office, 6:30 pm, Wednesday, October 27. Proof of vaccination required.

NEW POLLINATOR GARDENS!



The Landscape Committee has created Pollinator Gardens next to the Community Garden. Pollinators are essential to our environment by aiding in the reproduction of flowering plants. In addition, fruits and seeds derived from insect pollination are a major part of the diet of our birds and many mammals.

Nora Haskins heard about the Pollinator Project and the Xerces Society on a visit to the Santa Fe Botanical Garden. The Xerces Society is an international nonprofit organization with the goal of pollinator conservation. Nora proposed creating the gardens to the Landscape Committee and the project was launched!

- ▶ The landscape committee contacted the local Xerces Society and requested two kits containing 62 plants.
- ▶ Two 24' x 32' plots were prepared – a Xeric plot south of the Community Gardens and a semi-Xeric plot on the southeast of the gardens.
- ▶ The plots were cleared of all weeds.
- ▶ Chicken wire fencing was erected to, hopefully, keep out the rabbits and other plant eaters.
- ▶ The kits were picked up at the Rodeo Grounds County Extension office.
- ▶ Holes were dug for the plants.
- ▶ A path of mulch was created leading from the crushed granite path to the new garden plots.
- ▶ Signs donated by the Xerces Society were placed to designate these areas as pollinator habitats.
- ▶ Small signs identifying the individual plants were set by each plant.
- ▶ And finally, the new plants were carefully set in the ground.
- ▶ Hard-working volunteers who shoveled, weeded, dug holes and planted – Nora Haskins, Bill Glaze, Marianne Murray, Elaine Pinar, Carol Mathison, Lisa el-Kerdi, Jonni Pool, Frances Kean, and Art Ireland.

Each kit contained eight different native flowering plants and one tree.

The low water kit:

- Pale Evening Primrose
- Plains Prickly Pear
- Upright Prairie Coneflower
- Horsetail Milkweed
- Blackfoot Daisy
- Chocolate Flower
- Desert Mule Ear
- Threadleaf Groundsel
- and a New Mexico Olive tree

The low-to-medium water kit:

- Palmer's Penstemon
- Showy Milkweed
- White Prairie Clover
- Hairy False Goldenaster
- Bee Balm
- Cota
- MacDougal Verbena
- Blanketflower
- and a Three-leaf Sumac tree



Volunteers, primarily from the community gardens, will handle the watering chores. The two groups will be working together to monitor the plants for their first months in the ground. In two years they should need little or no water.



Post-planting celebration!

ACC Color Palette Survey – CONCLUSIONS

The overall design of Park Plazas gives a pleasant and coherent atmosphere to the community. Many of us were attracted by this community approach. Maintaining this vision, found in the covenants, also enhances the value of our individual properties.

The traditional palette of southwest colors are a key part of this feeling of community.

From time to time, some of us have felt restricted by the color palette when doing maintenance or making improvements. In 2020 the ACC conducted a survey of homeowners to see how, as a community, we feel about changing or expanding the palette of approved colors. The survey results were inconclusive and did not provide any mandate for change:

About 40% of households responded.

- Of those who responded, a plurality of 57% answered “No” or “Unsure” to expanding the color palette for home exteriors in Park Plazas.
- Of those who responded, about 43% were in favor of expanding the color palette.
- Only 11 households supported a proposal to eliminate all color restrictions.
- Well over 100 were opposed to eliminating all color restrictions

The ACC therefore recommended, and the Board approved, that the present color palettes for stucco and trim be kept in place. Survey results and architectural guidelines can be found at www.ParkPlazas.org. Resources > Documents > Architectural (folder).

FENCE COLORS



Fence colors are a different situation and were not included in the survey.

The guidelines say only that: “Fences may be clear sealed, left raw, or stained an approved wood color”, but do not specify the accepted colors.

Over time, fence colors have evolved into quite a variety. Paints have been used instead of stains, including some that are not “wood colors”. Stains tending toward light beige, pale orange, reddish, or even purple can be found in some places. Solid stains have been used that are indistinguishable from paint, and obscure the textures of the cedar.

The ACC proposed a palette of dark brown stains to be used going forward. Translucent stains are strongly preferred over solid color stains. The Board has approved these colors:

- SW 3518 Hawthorne
- SW 3542 Charwood
- BEHR SC104 Cordovan Brown
- BEHR SC111 Wood Chip

Over time, this will bring more consistency between the look of stained fencing and naturally weathered fencing.

Bruce Bender
Chair, Architectural Control Committee

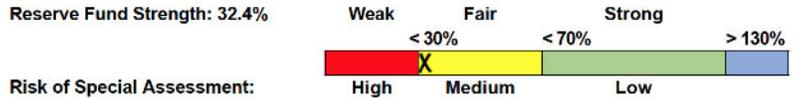


PARK PLAZAS RESERVE STUDY

Reserve Study Executive Summary Full

Park Plazas Community Services Assoc. Report #: 40324-0
 Santa Fe, NM # of Units: 442
 Level of Service: "Full" January 1, 2022 through December 31, 2022

Findings & Recommendations		as of January 1, 2022
Projected Starting Reserve Balance		\$1,047,639
Current Fully Funded Reserve Balance		\$3,234,228
Average Reserve Deficit (Surplus) Per Unit		\$4,947
Percent Funded		32.4 %
Current Monthly Reserve Contribution		\$19,890
Recommended 2022 Monthly Reserve Contribution		\$23,000
Recommended 2022 Special Assessments for Reserves		\$0



Economic Assumptions:
 Net Annual "After Tax" Interest Earnings Accruing to Reserves 1.00 %
 Annual Inflation Rate 3.00 %

Park Plazas is large community with extensive HOA maintained asphalt, various amenities, and common areas. Community was developed from 1975 to the early 1990's.

This is a "Full" Reserve Study (original, created "from scratch") based on our site inspection on 2/10/2021.

The Reserve expense threshold for this analysis is \$1,000. That means any Reserve related expenses under the threshold are not funded in the Reserve Study and need to be paid from the Operating Budget.

Your Reserve Fund is 32.4 % Funded. This means the Reserve Fund status is Fair, and the HOA's risk of special assessments & deferred maintenance is currently Medium.

The objective of your multi-year Funding Plan is to Fully Fund Reserves, where associations enjoy a low risk of Reserve cash flow problems.

Based on this starting point and anticipated future expenses, we recommend budgeting Monthly Reserve contributions of \$23,000. Nominal annual increases are scheduled to help offset inflation. Going forward, the contribution rate should be increased as illustrated on the 30-yr Summary Table.

Read the full report on our website:
www.ParkPlazas.org
 Resources ⇨ Documents ⇨ Public Forms.



FEEDING COYOTES - NEVER A GOOD IDEA

Most coyote attacks are a direct result of individual animals being fed by humans and thus becoming habituated to us. Like other predators, fed coyotes can begin to associate humans with food, leading to bolder and even aggressive behavior.

If you feed coyotes, their next snack could be your pet!

Read more at
<https://unm-bioblog.blogspot.com/2021/09/wile-e-coyote-in-city>.

PARK PLAZAS COMMUNITY SERVICES ASSOCIATION

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BOARD of DIRECTORS

- Tom Carr, President
- Bruce Bender, VP
- Chris Bartsch, Treasurer
- Beth Brock
- Mary Dolman
- Nora Haskins
- Bob Jacob

Richard White, Manager/Secretary
 Cathy Kosak, Office Manager

Kathy Bell Hargrave, PPN Editor

October Board Meeting

Wednesday, October 27
 6:30 PM

~ in-person, proof of vaccination required ~

(Community input is invited at the beginning of the meeting.)

Details are posted at www.ParkPlazas.org.