



Fleetwood Plaza Association
400 Fleetwood Plaza
Hendersonville, NC 28739

Web: www.fleetwoodplaza.com

Email: fleetwoodplaza@gmail.com

NOTICE OF 2018 ANNUAL MEETING
OF FLEETWOOD PLAZA REGIME UNIT OWNERS

August 14, 2018

TO THE UNIT OWNERS OF FLEETWOOD PLAZA REGIME:

Notice is hereby given that the annual meeting of the Unit Owners of the Fleetwood Plaza Regime will be held in the Regime Clubhouse on Monday, September 3, 2018 at 10:00AM:

- A. To elect one (1) Director for a 3-year term;
- B. To ratify the Board-approved budget for fiscal year 2018-2019;
- C. To ratify the selection of Carland & Andersen, Inc., CPAs, to prepare an annual compilation report of the finances of the Regime;
- D. Approval of 2018-2019 insurance levels
(materials sent with meeting notification)
(This vote is advisory to the Board, not binding.)
- E. To transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

It is recommended that each Unit Owner, by August 28th at the latest, sign, date and return the accompanying proxy to Sandy Grant, Secretary, whether or not you plan to attend the meeting. This will assure your vote is counted in the event you are unexpectedly delayed or are unable to attend the subject meeting.

Also, if you attend the meeting, please register at the door before being seated. When you register, you will also be asked if you wish to surrender your PROXY BALLOT and vote in person. If yes, you will be given an "IN-PERSON BALLOT" for voting the business matters during the meeting.

By order of the Board of Directors.

Sandra M. Grant, Secretary

Agenda

THIRTY-FIFTH ANNUAL MEETING OF THE FLEETWOOD PLAZA REGIME
Monday, September 3, 2018. 10:00am Regime Clubhouse

1. Call to Order, Welcome, and Comments. President
2. Unit Owners Present and Quorum. Secretary
3. Approval of September 11, 2017 Minutes
(minutes sent with meeting notification). President
4. Report of the President. President
5. Old Business. President
6. New Business. President

Tellers deliver proxies to assigned proxy holders.

- A. Election of one (1) Director for a 3-year term
 - i. Nominations from the floor. President
 - ii. *Nominations declared closed*
 - iii. Mark your ballot and hold it
- B. Ratification of 2018-2019 Budget (materials sent with meeting notification)
Mark your ballot and hold it.
- C. Ratification of Accountant
Mark your ballot and hold it.
- D. Approval of 2018-2019 insurance levels
(materials sent with meeting notification)
(This vote is advisory to the Board, not binding.)

Mark your ballot and hold it.

Tellers collect all ballots

Balloting declared closed.

President

7. Announcements. President
2018-2019 Nominating Committee
Next Annual Meeting: September 9, 2019
Date and time for Organizational Meeting of the Board
8. Comments/Questions from floor while ballots are being counted.
9. Declaration of election and voting results. President
10. Adjournment. President

Fleetwood Plaza Regime
2017 Annual Meeting Minutes
September 11, 2017

Acting President Jeanette Whitmire called the meeting to order at 2:05 pm.

Board/Officer members present: Jeanette Whitmire, Barry MacDowell, Ruth Marcus, Kathy Simkin, and Philip Taylor. Estelle Taylor was present as Acting Secretary.

There were 30 owners present.

The meeting was opened with prayer by Sandy Marcus for those affected by hurricanes Harvey and Irma.

Jeanette Whitmire welcomed everyone and noted that the appointed Tellers were Bill Seibert, Mike Michalski and Carolyn MacDowell. Barry MacDowell was appointed Parliamentarian.

Head Teller Bill Seibert reported that a quorum was present.

Minutes of the annual meeting of September 12, 2016 were approved as presented (Rich Foss/Jean Trochet).

President's Comments (Jeanette Whitmire read President Kerry Grants's comments):

"I know I'm repeating myself in most of these remarks, so I will be brief.

1. I'm sorry Sandy & I could not be present in person for the Annual Meeting, but neither the date of the meeting nor our scheduled trip could be rearranged. We will be back at Fleetwood in a couple of weeks.
2. If you haven't done so already, check out the recent changes in the Rules & Regulations online – especially the new rule on Automatic Fines, which goes into effect October 1.
3. Thanks to all of you who keep Fleetwood running – the committee chairs, the committee members, the folks whose names are not on any list but who pitch in and help on a project or a party, those who keep their units beautiful, those who give a wave and a friendly "good-morning" to their neighbors, those who care about Fleetwood and come to the Annual Meeting. And a special thanks to my fellow officers and Board members. It's been great working with and getting to know all of you."

Unfinished Business: There was no unfinished business from the preceding year.

New Business:

The tellers delivered the proxy ballots to the designated proxy holders.

- A. **Election of 2 (two) Directors:** The Nominating Committee recommended Richard Foss and Kathy Simkin to fill these positions. There were no nominations from the floor. The nominations were declared closed. Members were instructed to mark their ballots and hold them.
- B. **Ratification of 2017-2018 Budget:** Based on the budget recommendations of the Financial Planning Committee and the Board, there will be an increase in quarterly assessment of \$60.00 per quarter beginning in October 2017. There were no questions on the budget. Members were instructed to mark their ballots regarding budget approval and hold them.
- C. **Ratification of Accountant:** There were no questions or comments on the recommendation to have Carland and Andersen prepare a compilation report as well as Fleetwood's tax returns. Members were instructed to mark their ballots and hold them.
- D. **Approval of Insurance Levels for next fiscal year:** There were no questions or comments on the recommended insurance levels. Members were instructed to mark their ballots.

There being no further new business, balloting was closed and all ballots were collected and turned over to the Tellers.

Announcements/Discussion While Tellers Counted the Ballots:

- **Nominating Committee for 2017-2018:** The Nominating Committee for next year will be Jeanette Whitmire (chair), Linda Beagles, Chuck Ball, and Nancy Hicks.
- **Next Annual Meeting:** Tentatively scheduled for September 10, 2018
- **Organization Meeting:** Scheduled for September 12, 2017 at 3 pm.
- Larry Simkin thanked Kerry Grant for his service as President and Bill Seibert for his service in numerous Fleetwood roles over the years. Kerry and Bill received a long round of applause.
- Phyllis Seibert announced today is Ruth Marcus' birthday and Ruth received a round of applause. Phyllis also noted the library runs on a put and take system. New arrivals are placed on the top shelf. Please let Phyllis know when you add new books to the collection. Phyllis also thanked everyone for their support of the Hunger Walk.
- Ruth Marcus thanked the Social Committee for their hard work this past year.
- The Holiday Party will be on December 4, 2017 at The Cedars with Tom Brown providing the entertainment.
- Jeanette Whitmire thanked Kerry Grant and Kathy Simkin for their Board service this year.

Jeanette Whitmire reported the election results.

There were 8 in-person ballots, 33 proxy ballots, and 22 not voting.

Board of Directors: 41 for Rich Foss, 41 for Kathy Simkin.
Budget: 38 in favor, 1 opposed, 2 not voting
Accountant: 39 in favor, 0 opposed, 2 not voting
Insurance: 39 in favor, 0 opposed, 2 not voting

Comments from the Floor:

- Bob Hengst noted that departure notices are not all coming in as required, and fines for missing departure notices will start on October 1, 2017.

There being no further business, the meeting was adjourned at 2:45 pm on motion by Jim Parisi.

Respectfully submitted,



Ethel H. Taylor, Acting Secretary

Candidate Statement for Phil Taylor

I believe I am well qualified to serve on the Board. During the last 6 years, I have served on the Board for 5 years and 4 months - one 3-year term, the remaining 4-month balance of the late Kirk Johnston's last term, and one 2-year term. In addition, I have served as President for 1 year and as Treasurer for 8 years as of this coming September.

In 2016, my statement of candidacy included the following:

"I hope you will consider electing me to the Board for another term. I believe my problem analysis and problem solving skills would be an asset to the Board. I consider myself to be a calm and deliberate person – one who does not make decisions without considering all the relevant information. I work hard at being available to listen to everyone in the community, as I believe a Board member must represent all owners – not just the ones they know well or who are their friends. Lastly, I believe a common sense approach can go a long way toward improving life for everyone at Fleetwood."

I believe all of that is still true 2 years later. Thus, I hope you will consider electing me to the Board for another term.

Thanks for reading!

FLEETWOOD FISCAL YEAR 2019 BUDGET
and Comparison to Operating Expenses of Recent Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	BUDGET	BUDGET
Administration & Insurance									
Administration	2,637	2,444	1,849	2,462	2,483	2,575	4,144	3,200	3,000
Insurance	17,799	14,081	20,183	22,151	32,468	32,279	36,889	40,000	40,000
Legal/Audit	780	2,935	2,378	2,998	1,700	9,300	2,284	3,100	3,500
Outside Lighting	762	1,256	1,223	1,447	1,385	1,437	1,380	1,500	1,500
Promotional	311	142	197	71	0	0	87	100	100
Volunteer Appreciation	772	1,252	0	0	0	0	0	0	0
	23,061	22,110	25,830	29,129	38,036	45,591	44,784	47,900	48,100
Clubhouse & Pool									
Clubhouse	7,010	6,955	8,016	8,902	7,681	7,789	8,095	8,000	8,000
Pool	6,656	7,169	4,515	9,572	5,037	7,425	3,496	7,000	7,000
	13,666	14,124	12,531	18,474	12,718	15,214	11,591	15,000	15,000
Building Maintenance									
Building Painting	24,487	24,575	20,787	13,098	6,588	6,311	43,603	43,500	35,000
Building Repairs	41,766	28,268	46,426	39,071	35,423	41,208	26,995	45,000	40,000
Porch & Deck Repairs	11,926	14,075	4,654	3,732	5,666	22,913	13,954	13,000	10,000
Roof Repairs & Gutter Maintenance	2,925	2,550	3,684	11,123	30,885	6,237	4,181	2,500	5,000
Termite Control	2,215	2,160	2,185	2,435	2,628	2,342	60	2,200	2,500
Undergr. Drains & Water Line Rep.	4,859	1,823	5,254	4,603	3,241	4,155	6,057	10,000	8,000
Road and Driveways	0	18,227	741	0	89	7,813	8,964	12,000	9,000
	88,178	91,678	83,731	74,062	84,520	90,979	103,814	128,200	109,500
Grounds Maintenance									
Erosion Control	165	0	0	0	0	0	0	1,000	0
Large Tree Maintenance	1,400	1,050	4,925	2,500	1,675	675	2,100	2,000	3,500
Lawn & Landscape - Contract	22,325	22,750	23,400	21,450	23,400	23,400	23,400	23,400	24,000
Lawn & Landscape Materials	5,143	9,200	5,490	7,474	6,751	5,709	7,517	8,200	12,000
Lawn & Landscape - Non-Contract	10,105	4,553	5,418	13,485	4,332	12,219	12,197	10,000	15,000
Perimeter Bank Maintenance	1,500	2,250	2,400	1,500	2,700	3,600	1,800	2,700	2,000
	40,638	39,803	41,633	46,409	38,858	45,603	47,014	47,300	56,500
Snow Removal									
	2,635	0	0	2,210	5,486	4,312	4,985	5,000	4,000
Sewer Station Operation									
	2,039	977	1,824	1,071	5,089	3,274	1,551	4,000	4,000
Social Committee									
	233	190	-86	215	1,161	227	-22	500	100
Vista (off-site pruning)									
	0	0	709	628	1,171	4,085	3,501	0	2,500
Engineering Study									
	0	0	0	0	0	0	0	5,000	0
Operating Contingency									
	896	0	7,441	0	2,000	2,000	0	4,420	4,740
Total Operating Expenses:	171,346	168,882	173,613	172,198	189,039	211,285	217,218	257,320	244,440
Operating Actual vs. Budget	1,346	-25,618	-11,027	-18,482	-13,081	-7,275	-18,982	NA	NA
* * * * * REPLACEMENT RESERVE EXPENSES * * * * *									
Clubhouse & Pool	6,971	0	10,300	0	0	8,222	1,173	0	0
Common Items / Drainage	5,400	4	2,284	2,585	18,550	6,350	4,770	5,000	150,000
Major Building Repairs	8,280	0	6,481	5,462	3,361	15,000	0	14,000	17,000
Roof Replacements	30,305	36,272	40,277	47,440	17,720	7,250	0	0	0
Net Contribution to Reserves	0	0	0	0	0	0	0	0	-120,000
Sewer Station	1,985	0	2,317	4,380	1,950	0	0	6,000	6,000
For Future Road & Driveway Paving	0	0	0	0	0	0	0	10,000	10,000
Total Replacement Reserves:	52,941	36,276	61,659	59,867	41,581	36,822	5,943	35,000	63,000
Reserve Actual vs. Budget	-1,339	-21,224	-10,741	-11,533	-23,419	-16,778	-35,057	NA	NA
TOTAL Spending/Budget:	224,287	205,158	235,272	232,065	230,620	248,107	223,161	292,320	307,440
TOTAL Actual vs. Budget	7	-46,842	-21,768	-30,015	-36,500	-24,053	-54,039		
Quarterly Assessment to Meet Budget:							1,100	1,160	1,220
Reserve Expenses in Budget:	Campus Drainage Improvements	0	0	0	0	0	0	0	150,000
	Reserve Reduction for Drainage Expenses	0	0	0	0	0	0	0	-120,000
	Sewer Station Grinder Pump Replacement	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
	Major Building Repairs	17,000	15,000	18,000	14,000	17,000	14,000	17,000	17,000
	Future Road & Driveway Repaving	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Sidewalk and Carport Floor Replacement	2,000	5,000	6,000	5,000	0	0	0	0
	Clubhouse Gas Logs	0	0	1,000	0	0	0	0	0
	Future Clubhouse and Pool Storage Needs	0	1,000	0	0	0	0	0	0
	Sewer Station Alarm System Upgrade	2,500	0	1,000	1,000	1,000	1,000	1,000	1,000
	Carport Roof Replacement	21,000	17,600	0	0	0	0	0	0
	Termite Treatment	7,500	0	0	0	0	0	0	0
		65,000	53,600	41,000	35,000	63,000			

FLEETWOOD PLAZA FINANCIAL PLAN 2018 – 2019

The following Financial Plan contains the proposed budget for 2018 – 2019 that was approved by the Board on August 10, 2018. Also included are historical financial data and an estimate of future income and expenses.

Proposed Budget for 2019: This budget includes an assessment increase of \$60 per quarter (or 5.2%) to \$1220 per quarter. The Board feels this is needed to cover part of the cost of the upcoming drainage projects. The overall very preliminary estimate for the drainage work is \$150,000. More cost information will be known as contractor quotations are received, but those will not be available until after this is written.

Our plan is to fund the drainage projects from our Reserves. The proposed budget shows a Reserve decrease of \$120,000 to fund a significant portion of the work. The alternative would be to pay for the work in full by increasing the quarterly assessment to \$1,700 for this year or to have a special assessment of \$1,900 per unit. Both alternatives were rejected in favor of drawing down our Reserves (currently about \$350,000).

It will be necessary in future years to build our Reserves back to their current level or even higher to fund upcoming Reserve expenses. For example, building roof replacements are expected to start in 2020. These will require an estimated expenditure of \$96,000 in 2020, and will continue through 2034 with a total expense estimated at over \$380,000.

Additional operating expenses are budgeted for Grounds Maintenance as we expect to incur greater expenses in repairing damage to lawns and plants from the drainage work. This situation may continue for several years after the major drainage work has been completed.

Historical Financial Information: A table with summary financial information from FY2003 through FY2017 and a second table with detailed financial information from FY2007 through FY2017 are both included for your information.

Longer Range Financial Plan: The Fleetwood Financial Plan shows our estimate of future income and expenses through 2027. This is based on the following assumptions:

1. An inflation factor of 3% was used in the projections. Interest earnings were not included.
2. A preliminary and conservative estimate for Road and Driveway repaving is included. Driveway repaving is assumed to start in 2020 and continue through 2034, with the road repaving set for 2035. Regular crack sealing and periodic seal coating are included in the operating expenses to extend pavement life. This work may need to be deferred if our Reserve balance is too low.
3. Our Reserve Study is based on the useful life of asset components and uses a “pooled component” approach. Our Reserve balance has increased to nearly 70% of that needed for fully funded Reserves, which is our target. However, the Reserve reduction budgeted for the drainage projects will reduce our balance to about 45% of fully funded Reserves. Thus, we will need to rebuild our Reserve balance after the drainage projects are completed, which probably means increasing assessments in future years.
4. Many experts in the field of association financial planning recommend a level of at least 70% of fully funded Reserves to be “financially stable”. A financially stable Reserve funding level reduces the likelihood of needing special assessments to almost zero.
5. In addition, the Board is committed to long-term, business-like financial planning that avoids multiple years of no assessment increases, then followed by a large assessment increase. This means our future planning will include modest annual increases instead of occasional large increases.

Our Long Range Plan does not include the costs for some potential risks:

1. Our sewer system remains a financial risk because of potential line failures, such as was experienced this year.
2. Potential unexpected expenses in the future could include roof damage from high winds or hail, and possible failures of the original exterior Masonite paneling that is still in service.

FLEETWOOD FISCAL YEAR 2019 BUDGET
and Comparison to Operating Expenses of Recent Years

Board Approved on 08/10/2018

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	0	0	709	628	1,171	4,085	3,501	0	2,500
Engineering Study									
	0	0	0	0	0	0	0	5,000	0
Operating Contingency									
	896	0	7,441	0	2,000	2,000	0	4,420	4,740
Total Operating Expenses:	171,346	168,882	173,613	172,198	189,039	211,285	217,218	257,320	244,440
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* * * * * REPLACEMENT RESERVE EXPENSES * * * * *									
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Common Items / Drainage	5,400	4	2,284	2,585	18,550	6,350	4,770	5,000	150,000
Major Building Repairs	8,280	0	6,481	5,462	3,361	15,000	0	14,000	17,000
Roof Replacements	30,305	36,272	40,277	47,440	17,720	7,250	0	0	0
Net Contribution to Reserves	0	0	0	0	0	0	0	0	-120,000
Sewer Station	1,985	0	2,317	4,380	1,950	0	0	6,000	6,000
For Future Road & Driveway Paving	0	0	0	0	0	0	0	10,000	10,000
Total Replacement Reserves:	52,941	36,276	61,659	59,867	41,581	36,822	5,943	35,000	63,000
Reserve Actual vs. Budget	-1,339	-21,224	-10,741	-11,533	-23,419	-16,778	-35,057	NA	NA
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Quarterly Assessment to Meet Budget:							1,100	1,160	1,220
Reserve Expenses in Budget:	Campus Drainage Improvements	0	0	0	0	0	0	150,000	
	Reserve Reduction for Drainage Expenses	0	0	0	0	0	0	-120,000	
	Sewer Station Grinder Pump Replacement	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
	Major Building Repairs	17,000	15,000	18,000	14,000	17,000	14,000	17,000	
	Future Road & Driveway Repaving	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
	Sidewalk and Carport Floor Replacement	2,000	5,000	6,000	5,000	0	0	0	
	Clubhouse Gas Logs	0	0	1,000	0	0	0	0	
	Future Clubhouse and Pool Storage Needs	0	1,000	0	0	0	0	0	
	Sewer Station Alarm System Upgrade	2,500	0	1,000	1,000	1,000	1,000	1,000	
	Carport Roof Replacement	21,000	17,600	0	0	0	0	0	
	Termite Treatment	7,500	0	0	0	0	0	0	
		65,000	53,600	41,000	35,000	63,000			

FLEETWOOD PLAZA HISTORICAL FINANCIAL DATA

OPERATING	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Qtrly Assessment	\$700	\$700	\$700	\$700	\$790	\$890	\$890	\$890	\$890	\$1,000	\$1,020	\$1,040	\$1,060	\$1,080	\$1,100	\$1,160
Budget	\$136,200	\$142,600	\$160,800	\$164,300	\$176,400	\$187,000	\$187,000	\$187,000	\$170,000	\$194,500	\$184,640	\$190,680	\$202,120	\$218,560	\$236,200	\$257,320
Spent	\$134,062	\$151,105	\$210,805*	\$181,763	\$164,280	\$165,650	\$159,841	\$176,369	\$171,346	\$168,882	\$173,612	\$172,193	\$189,038	\$211,286	\$217,219	
Over/Under	-\$2,138	\$8,505	\$50,005*	\$17,463	-\$12,120	-\$21,350	-\$27,159	-\$10,631	\$1,346	-\$25,618	-\$11,028	-\$18,487	-\$13,082	-\$7,274	-\$18,981	

* NOTE: In 2004 two hurricanes (Frances & Ivan) went through Henderson County causing much devastation. As a result, a Special Assessment totaling \$68,040 was implemented and collected over two years (\$53,730 in 2004 and \$14,310 in 2005).

RESERVE	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Budget	\$40,200	\$33,800	\$15,600	\$12,100	\$22,680	\$37,280	\$37,280	\$37,280	\$54,280	\$57,500	\$72,400	\$71,400	\$65,000	\$53,600	\$41,000	\$35,000
Spent	\$42,338	\$22,530	\$14,679	\$0	\$29,826	\$43,045	\$78,255	\$52,736	\$52,941	\$36,276	\$61,659	\$59,867	\$41,581	\$36,822	\$5,943	
Over/Under	\$2,138	-\$11,270	-\$921	-\$12,100	\$7,146	\$5,765	\$40,975	\$15,456	-\$1,339	-\$21,224	-\$10,741	-\$11,533	-\$23,419	-\$16,778	-\$35,057	
Reserve Bal.	\$73,915	\$86,681	\$92,342	\$106,721	\$110,033	\$114,607	\$124,203	\$120,092	\$121,702	\$169,166	\$190,097	\$221,809	\$245,440	\$282,554	\$338,111	

SOCIAL FUND BALANCE	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	\$2,025	\$1,395	\$2,937	\$2,500	\$5,045	?? **	?? **	\$437	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Moved to a separate account in July 2008 and returned in December 2009.

TOTAL ALL	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
ALL INCOME	\$182,742	\$181,683	\$242,108	\$202,485	\$211,561	\$230,539	\$229,044	\$238,684	\$227,184	\$252,486	\$257,388	\$262,537	\$267,657	\$272,718	\$278,027	
ALL EXPENSE	\$176,400	\$177,986	\$234,872	\$191,347	\$200,992	\$216,185	\$238,096	\$242,563	\$226,417	\$205,158	\$235,271	\$232,060	\$230,619	\$248,108	\$223,162	
OVER/UNDER	-\$6,342	-\$3,697	-\$7,236	-\$11,138	-\$10,569	-\$14,354	\$9,052	\$3,879	-\$767	-\$47,328	-\$22,117	-\$30,477	-\$37,038	-\$24,610	-\$54,865	

Fleetwood Detailed Financial History - 2007 to 2018

Excel File Name: Fltwd Detailed Financial History 2007-2018.xls

Line		2006 - 2007	2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013	2013 - 2014	2015 - 2016	2016 - 2017	Budget 2017 - 2018
1												
2	Ordinary Income/Expense											
3	Income											
4	Special Assessment Income											
5	Assessment Income	199,120	224,280	224,280	224,414	224,426	252,238	257,194	262,391	272,376	277,420	292,320
6	Fine			2,200		750					100	
7	Interest Income-checking	53	61	80	32	31	7	4	6	5	6	
8	Interest Income-bank MM	379	311	153	66	250	227	184	173	220	266	
9	Interest Income-Vanguard MM	236	1,009	422	28	21	14	6	4	117	235	
10	Interest Income-CDs	2,343	2,433	1,589	249							
11	Social Committee Income	9,431	2,446		13,895	1,692	1,390	2,205	1,566	2,359	2,777	
12	Total Income	211,561	230,539	228,724	238,684	227,170	253,876	259,593	264,140	275,077	280,804	292,320
13	Expense											
14	Administrative & Insurance											
15	Administrative	2,038	2,034	3,471	2,986	2,637	2,444	1,849	2,462	2,575	4,144	3,200
16	Insurance	14,265	28,652	12,505	16,330	17,799	14,081	20,183	22,151	32,279	36,889	40,000
17	Legal & Audit	2,166	788	897	721	780	2,935	2,378	2,998	9,300	2,284	3,100
18	Promotional	2,422	940	250		311	142	197	71		87	100
19	Outside Lighting	611	614	620	637	762	1,256	1,223	1,447	1,437	1,380	1,500
20	Volunteer Appreciation					772	1,252					
21	Total Admin & Insurance	21,502	33,028	17,743	20,674	23,061	22,110	25,830	29,129	45,591	44,784	47,900
22	Building Maintenance											
23	Building Repairs	33,257	30,348	52,633	43,785	41,751	28,268	46,426	39,071	41,208	26,995	45,000
24	Building Painting	22,729	20,986	14,695	26,543	24,487	24,575	20,787	13,098	6,311	43,603	43,500
25	Roof Repairs	7,594	10,722	3,462	2,226	2,925	2,550	3,684	11,123	6,237	4,181	2,500
26	Porch & Deck Repairs	10,699	6,207	9,318	14,723	11,926	14,075	4,654	3,732	22,913	13,954	13,000
27	Sewer Station Operation	558	3,551	1,427	1,407	2,039	977	1,824	1,071	3,274	1,551	4,000
28	Termite Control	2,160	2,160	95	2,160	2,215	2,160	2,185	2,435	2,342	60	2,200
29	Underground Drains & Water Lines	975		248	4,942	4,859	1,823	5,254	4,603	4,155	6,057	10,000
30	Total Building Maintenance	77,973	73,974	81,878	95,786	90,202	74,428	84,814	75,133	86,440	96,401	120,200
31	Clubhouse & Pool											
32	Clubhouse	6,413	6,866	13,202	6,815	7,010	6,955	8,016	8,902	7,789	8,095	8,000
33	Pool	6,347	5,580	3,651	5,564	6,656	7,169	4,515	9,572	7,425	3,496	7,000
34	Total Clubhouse & Pool	12,760	12,446	16,853	12,379	13,666	14,124	12,531	18,474	15,214	11,591	15,000
35	Grounds Maintenance											
36	Lawn & Landscape Maint-contract	33,945	22,500	22,500	22,500	22,325	22,750	23,400	21,450	23,400	23,400	23,400
37	Lawn & Landscape Materials		8,130	4,226	2,666	5,143	9,200	5,490	7,474	5,709	7,517	8,200
38	Lawn & Landscape - non-contract	14,480	6,132	8,630	5,539	10,105	4,553	5,418	13,485	12,219	12,197	10,000
39	Large Tree Maintenance	2,269	3,385	3,300	2,553	1,400	1,050	4,925	2,500	675	2,100	2,000
40	Perimeter Bank Maintenance		2,200	1,450	900	1,500	2,250	2,400	1,500	3,600	1,800	2,700
41	Erosion Control		1,480	861	1,598	165						1,000
42												
43												
44	Total Grounds Maintenance	50,695	43,827	40,967	35,756	40,638	39,803	41,633	46,409	45,603	47,014	47,300
45	Operating Contingencies	425	0	450	5,763	896	0	7,441		2000		4420
46	Social Committee	0	0	0	0	233	190	-86	215	227	-22	500
46A	Road & Driveways						18,227	741		7813	8964	12000
46B	Snow Removal	426	1,400	1,575	6,011	2,635	0	0	2,210	4312	4985	5000
46C	Off-Site Vista Pruning	500	975	375	0	0	0	709	628	4085	3501	0
46D	Engineering Study											5000
47	Total Operating Expense	164,280	165,650	159,841	176,369	171,331	168,882	173,613	172,198	211,285	217,218	257,320
48	Net Ordinary Income	47,281	64,889	68,883	62,315	55,839	84,994	85,980	91,942	63,792	63,586	35,000
49	Other Income/Expense											
50	Other Expense											
51	Reserve Expense						4	34				
52	Major Building Repairs	8,997			2,598	8,280		6,481	5,462	15,000		14,000
53	Clubhouse	4,363		2,800	1,053	4,242				4,963	1,173	
54	Pool	10,220		4,945		2,729		10,300		3,259		
55	Common Items	1,115				5,400		2,250	2,585	6,350	4,770	5,000
56	Roofs		33,580	70,510	45,494	30,305	36,272	40,277	47,440	7,250		
57	Surfaced Areas	5,132										
58	Sewer Station		4,797		3,591	1,985		2,317	4,380			6,000
59	Net Contribution to Reserves										10,000	10,000
60	Total Reserve Expense	29,826	43,045	78,255	52,736	52,941	36,276	61,659	59,867	36,822	15,943	35,000
61	Social Committee Expense	6,886	7,491		13,458	2,130	1,580	2,119	1,781	2,586	2,755	
62	Total Other Expense	36,712	50,535	78,255	66,194	55,071	37,856	63,778	61,648	39,408	18,698	35,000
63	Net Other Income	-36,712	-50,535	-78,255	-66,194	-55,071	-37,856	-63,778	-61,648	-39,408	-18,698	-35,000
64	Net Income (Ordinary & Other)	10,569	14,354	-9,372	-3,878	768	47,138	22,202	30,294	24,384	44,888	0
65	Net Social Committee Income	2,545	-5,045	0	437	-438	-190	86	-215	-227	22	
66	Total Expenses (excl. Social)	194,106	208,695	238,096	229,105	224,039	204,968	235,358	231,850	247,880	233,183	291,820
67	Total Expenses (incl. Social)	200,992	216,185	238,096	242,563	226,402	206,738	237,391	233,846	250,693	235,916	292,320

NOTES: 1. This information was obtained from Year-End Statements and modified by QuickBooks data.
2. Rows have been added, deleted, and combined to report the information on a basis consistent with current reporting practices.

07/23/2018

FLEETWOOD FINANCIAL PLAN 2018 - 2027

	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Projected 2018	Proposed 2019	Estimated 2020	Estimated 2021	Estimated 2022	Estimated 2023	Estimated 2024	Estimated 2025	Estimated 2026	Estimated 2027
OPERATING BUDGET																
Total Admin & Insurance	22,110	25,830	29,129	38,036	45,592	44,785	43,000	48,100	49,600	51,100	52,600	54,200	55,800	57,500	59,200	61,000
Total Building Maint.	73,451	82,990	74,062	84,430	83,166	94,850	90,000	100,500	103,600	106,700	109,900	113,200	116,600	120,100	123,700	127,400
Total Clubhouse/Pool	14,124	12,531	18,474	12,717	15,214	11,591	16,600	15,000	15,500	16,000	16,500	17,000	17,500	18,000	18,500	19,100
Total Grounds Maint.	39,803	41,633	46,409	38,858	45,603	47,014	47,700	56,500	58,200	60,000	60,000	60,000	60,000	61,800	63,700	65,600
Snow Removal	0	0	2,210	5,486	4,312	4,985	7,000	4,000	4,100	4,200	4,300	4,400	4,500	4,600	4,700	4,800
Road and Driveways	18,227	741	0	89	7,813	8,964	2,700	9,000	9,300	9,600	9,900	10,200	10,500	10,800	11,100	11,400
Sewer Station Operation	977	1,824	1,071	5,089	3,274	1,551	6,000	4,000	4,100	4,200	4,300	4,400	4,500	4,600	4,700	4,800
Vista (off-site pruning)	0	709	628	1,171	4,085	3,501	0	2,500	4,000	4,100	4,200	4,300	4,400	4,500	4,600	4,700
Social Committee	190	-86	215	1,161	227	-22	0	100	100	100	100	100	100	100	100	100
Engineering Study	0	0	0	0	0	0	14,000	0	0	0	0	0	0	0	0	0
Operating Contingency	0	7,441	0	2,000	2,000	0	0	4,740	5,000	5,200	5,400	5,600	5,800	6,000	6,200	6,400
TOTAL OPERATING	168,882	173,613	172,198	189,037	211,286	217,219	227,000	244,440	253,500	261,200	267,200	273,400	279,700	288,000	296,500	305,300
RESERVE BUDGET																
Clubhouse & Pool	0	10,300	0	0	8,222	1,173	8,500	0	4,000	10,000	22,000	7,500	0	13,300	12,100	5,000
Common Items/Drainage	4	2,284	2,585	18,550	6,350	4,770	0	150,000	50,000	8,000	9,000	10,000	11,000	12,000	13,000	14,000
Major Building Repairs	0	6,481	5,462	3,361	15,000	0	17,000	17,000	16,000	17,000	18,000	19,000	20,000	21,000	22,000	23,000
Roof Replacements	36,272	40,277	47,440	17,720	7,250	0	0	0	0	0	0	0	0	0	0	0
Sewer Station	0	2,317	4,380	1,950	0	0	0	6,000	0	7,000	0	7,000	0	0	0	0
Road & Driveway Paving							2,700	10,000	8,400	10,100	11,800	15,300	10,400	12,200	16,300	8,400
Other Items	0	0	0	0	0	0	-7,900	-120,000	0	0	0	0	0	10,000	8,000	0
TOTAL RESERVE	36,276	61,659	59,867	41,581	36,822	5,943	20,300	63,000	78,400	52,100	60,800	58,800	41,400	68,500	71,400	50,400
Assessment Income	252,000	257,040	262,391	267,438	272,376	277,420	292,320	307,440	317,520	327,600	337,680	347,760	357,840	393,120	372,960	378,000
TOTAL BUDGET	205,158	235,272	232,065	230,618	248,108	223,162	247,300	307,440	331,900	313,300	328,000	332,200	321,100	356,500	367,900	355,700
Reserve Contribution	47,464	20,931	31,711	23,632	37,114	54,258	45,020	-120,000	-14,380	14,300	9,680	15,560	36,740	36,620	5,060	22,300
Accumulated Reserve	169,166	190,097	221,808	245,440	282,554	338,111	383,131	263,131	248,751	263,051	272,731	288,291	325,031	361,651	366,711	389,011

The inflation factor has been increased from about 2% to about 3% for the numbers above.
 Driveway repaving has been scheduled for years 2020 through 2034, with Road repaving in 2035.
 Revised on 08/11/2018 by PNT.

August 4, 2018

To All Unit Owners:

While the revised Red Book no longer requires Owner approval of proposed insurance levels at the Annual Meeting, the following insurance details are presented for your information. The Board expects our insurance coverage for the fiscal year beginning October 1, 2018 will be as follows:

- Property insurance at 100% of the maximum insurable replacement value of our buildings (including carports), as determined by the insurance company providing this coverage. Our current coverage totals \$20,239,000 and we expect that to increase by about 2%. Note that this insurance covers individual units as **originally** constructed. Improvements or betterments installed by the current owner or by prior owners are NOT covered. Also, personal property is NOT covered. This matches our current policy coverage. The deductible is \$2,500 per unit.
- Liability insurance in the total amount of \$2,000,000, with a limit of \$1,000,000 per occurrence. There is no deductible.
- Umbrella Liability insurance in the amount of \$3,000,000. There is no deductible.
- Directors and Officers Liability insurance in the amount of \$1,000,000. The deductible is 5% up to a maximum of \$10,000.
- Workers' Compensation insurance in the amount of \$100,000 per occurrence with no deductible.
- Crime and Fidelity insurance in the amount of \$450,000. The deductible is \$500.

All of these policies are currently in force and the Board expects to continue them next year.

PROXY - FOR FLEETWOOD PLAZA ANNUAL MEETING – 09-03-18

UNIT #: _____ **UNIT OWNER:** _____

The Undersigned Unit Owner(s) hereby appoint (please print name) _____ as proxy or, by failing to name a proxy in the space provided herein, the Undersigned Unit Owner(s) hereby appoint the Regime President, Kathy Simkin (or her designee), as proxy, with all the powers the Undersigned Unit Owner would possess if personally present, to vote for, in place of, and instead of the Undersigned Unit Owner at the annual meeting of the Regime to be held at the Regime Clubhouse at 10:00 AM on Monday, September 3, 2018, and at any adjournment thereof, upon all subjects that may come before the meeting, including the election of directors, subject to any directions indicated below in the proxy, and in the sole discretion of the proxy appointed above, to act on any other matter which may come before the meeting.

PROXY BALLOT (one per unit)

A. ELECT ONE DIRECTOR:

Vote for one (1) Director, to serve a three-year term:

Phil Taylor Unit #1104

(write-in)

THE BOARD RECOMMENDS A VOTE IN FAVOR OF PROPOSALS B, C, and D

B. RATIFY the Board-approved budget for fiscal year 2018-2019 (see materials sent out with the meeting notification):

FAVOR OPPOSE

C. RATIFY the Board-approved selection of Carland & Andersen, Inc., CPAs, to prepare an annual compilation report of the finances of the Regime:

FAVOR OPPOSE

**D. Approval of 2018-2019 insurance levels
(materials sent with meeting notification)**

(This vote is advisory to the Board, not binding.)

FAVOR OPPOSE

E. OTHER MATTERS TO BE VOTED UPON (write in other matter):

 FAVOR OPPOSE

Unit Owner(s) Sign and Date here:

_____ Date: _____

_____ Date: _____

Your vote is important. Therefore, it is recommended that you sign and date this proxy and return it, even if you plan to attend the meeting (in case you are unexpectedly delayed). You can exchange it for an "In-Person" ballot when you arrive for the meeting.

MAIL NO LATER THAN AUGUST 28 TO:

Sandy Grant, Secretary, 401 Fleetwood Plaza
Hendersonville, NC 28739

Or, send as an email attachment, to:

sandygrant@roadrunner.com