

2026 Start– Pineview HOA – Siding Cash Flow Plan

HOA's Working Cash	2026	2027	2028	2029	2030	2031	2032	Totals
Member Monthly Dues	374	393	412	433	455	477	501	\$3,045
Member Annual Dues	4488	4712	4948	5195	5455	5728	6014	\$36,541
HOA Annual Revenue	394944	414691	435426	457197	480057	504060	529263	\$3,215,637
Reserve Fund On 12/31/2025	427302							
Annual Addition To Reserves	147000	147000	147000	147000	147000	147000	147000	\$1,029,000
Reserve Fund Cumulation	574302	721302	868302	1015302	1162302	1309302	\$1,456,302	\$1,456,302

Siding Project Cash Flow

Reserve Fund @ 2026 Start	574302							
Less MEI Siding Cost	164500	172725	181361	190429	199951	209948	220446	\$1,339,360
Year-End Reserve Fund	409802	384077	349716	306286	253336	190387	116942	

Starting Project Reserve Fund	\$574,302
Ending Project Reserve Fund	\$116,942
Total Revenue During Project	<u>\$3,215,637</u>

Notes

1. Siding costs increase 5% per year.
2. HOA dues increase 5% per year.
3. Ending 2025 Reserve Fund \$427,302
4. **Starting in 2026 REQUIRES Monthly Reserve Fund addition of \$12250** (In 2025, it was \$11,250 per month).
5. Audit subtracts total siding costs from cumulative reserve funds.
6. Project starts in 2026 with an estimated \$574,302 in reserve funds.
7. Project ends in 2032 with an estimated \$116,942 remaining in reserve funds.
8. Should reserve funds get short, siding can be reduced to two quad buildings if needed in a given year,
9. Because the siding project cash flows, no approval from HOA members is required by the HOA board of directors.
10. No special assessments or changes to the HOA's Articles and Bylaws are needed.
11. A simple board of directors motion can execute the project.

MEI Siding Contractor
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Notes, Continued

12. Project uses Minnesota Exteriors only three miles away that can handle all the HOA's siding needs, including Ice Dam issues.
13. Monthly dues are multiplied by 12 to determine each member's annual HOA dues payments
14. HOA annual revenue is determined by multiplying annual member payments by 88.
15. Total Revenue during project is determined by adding up annual HOA revenue.

Scope Of Siding Project**

1. New siding (40 colors available to choose from)
2. House wrap (Barricade)
3. Aluminum soffit and fascia (Edco)
4. 5 inch aluminum gutters (Edco)
5. Everything our buildings need including new eave vents to increasing ventilation to help prevent ice dams.
6. Pay MEI for each quad building after it is completed and passes inspection.
7. See attached estimate for 8303 Oakview Court for additional information.
8. Three quad buildings will get new siding each year for seven years. MEI cost estimate is based on 8303 and 8329.

What Siding Plan Means

1. Our monthly dues will increase from \$374 in 2026 to \$501 per month in 2032.
2. Our annual HOA payments will increase from \$4,488 in 2026 to \$6,014 in 2032.
3. The spreadsheet necessitates a 5% annual increase in both member dues and also siding costs.

HOA Board Concerns

1. There is no need for changes to HOA Articles or Bylaws as suggest by Omega Management.
2. There is no need for creating one or more special assessments.
3. There is no need to create a line of credit for the HOA of \$2 million.
4. There is no need to assess each homeowner \$20,000 for new siding.
5. Total siding costs come in at \$1,339,360 instead of over \$2 million using Ryan as the board proposes.
6. Ryan Construction in Minneapolis is a General Contractor that uses subcontractors like MEI for siding.
7. MEI is an 80-year-old siding contractor owned by a single family in its 3rd generation that can finance our new siding.
8. MEI will fund 100% of each quad building and will accept payment for each building as it is completed.
9. There are enough resources and flexibility in this cash-flow plan to make it the best choice for homeowners.