

Park Glen Neighborhood Association

Board of Directors Meeting Minutes

April 7, 2016 - Longhorn Activity Center, Ft Worth, Texas - 7p

Final – Approved
by the PGNA
Board 5/5/2016

1. Roll Call – President Kevin Hammack called the meeting to order at 7:02 pm. The following board members were present: Kevin Hammack, Russell Zwerg, Barry Bryan, Jack Webb, Susan Kenney, Bonnie Hoke. Sterling Rice was absent.
2. Proof of Notice of meeting or waiver – Kevin said that the meeting was noticed online on the website.
3. Notice of Recordings of meeting, if any – Nobody stated that they were recording the meeting
4. Announcement of Actions since last meeting - Russell went over the actions since the 3/3/16 meeting, which he projected on the wall:
Immediately after the 3/3/16 meeting, the Board considered various homeowner issues and account (\$) requests:
 - Board approved waiving \$106.89 on account R0328434L0278316 (concession due to extenuating circumstances)
 - Board approved waiving \$55.00 on account R0331086L0281009 (violation dispute).
 - Board approved waiving \$76.59 in late fees and interest on account R0330575L0280478 due to payment lost in the mail.
5. Reading of Minutes of preceding meeting – **Barry made a motion to accept the minutes of March 3, 2016. Jack Webb seconded the motion. The motion passed unanimously.**
6. Guests/Speakers
 - a. Jodi Hight - Jodi does real estate in the neighborhood and gave a brief presentation on property values. She said that since last year, the property values have gone up approximately 12%. Currently there are only 13 homes on the market and \$212,000 is the average price for houses sold and which are between 2,000-2,500 square feet. Kevin asked how the 12% increase compared to other areas in Tarrant County; Jodi said that she thought it was similar.
7. Reports of Officers (ref. 8.1)
 - a. President
 - i. Town Hall – April 26 – Kevin said that Cary Moon, Stephanie Klick, and others will be at the meeting
 - ii. Update on Proposed Housing on Parkwood Hill – Kevin explained that a developer had wanted to change the zoning to build multi-family housing, just north of Habaneros. Many residents, including our HOA and Parkwood Hill HOA, banded together to say they didn't want it, and the developer pulled out of pursuing this.

- iii. Update on 2014 Bond (Streets and Sidewalks) – Kevin said that he heard from Riad that the city hopes to start the work by the end of June in the part of Park Glen around Arcadia Trail and Los Padres Trail.
 - b. Vice President/ Treasurer
 - i. Lawsuit Update – Russell said that he and Kevin participated in mediation between PGNA and PMS (former management company) that is still ongoing. He is guardedly optimistic that we will reach a settlement. In response to a question, he said that we have paid about \$6,000 in attorney fees so far this fiscal year, and our attorney still needs to send his latest bill, which he expects to be around \$10,000 more.
 - ii. Mailbox Leveling – Update – Russell said he was disappointed in some of the work and will be working with the contractor to get it fixed or negotiate a reduced price.
 - iii. Mailbox Damage – The mailboxes at 5201 Hot Springs and 7562 Bryce Canyon Dr W have been fixed. A homeowner reported new damage just today at 4721 Sabine. We have the address of the resident who collided with the mailbox and will be pursuing reimbursement from that person or his insurance company.
 - iv. Leaf Cleanup – Update – We hired a leaf cleanup crew for a day for certain streets. Russell wasn't particularly pleased with their work, especially the cost/benefit. He suggested that they try to find a different contractor next time and have someone watch over them while they do the work.
 - v. Idea for a Little Free Library in Park Glen – Russell announced that a Park Glen resident may want to put in a "Little Free Library" in Park Glen. He explained what that is. He said that it is in an early stage, but the initial idea is to put it on school property (Park Glen Elementary).
 - c. Secretary
 - d. Board
8. Property Managers report - Jennifer Martinez introduced Billy, RealManage's Inspector for Park Glen. He drives around the neighborhood looking for violations and checking on reports that have come in. The contract calls for the entire neighborhood to be inspected twice per month; since the neighborhood is so big, he comes out once a week (doing ½ of the neighborhood each week). There was much discussion about enforcement of deed restrictions. Russell expressed his opinion that there are three things we need to figure out to come up with a plan: 1) What should the standards be? 2) How can we get people to abide by them? 3) What do we do next (for enforcement)?
9. Reports of Committees
- a. ACC (Cecilia Shilling) – Decisions – not present
 - b. Communications (Dana Hammack)
 - c. Social (Event results and upcoming events)
 - i. Eggstravaganza 2016 Report – Russell presented the cost breakdown spreadsheet for the event. The revenue was \$1,050 from 30 exhibitors (plus 3 others that donated items). The total expense was \$2,569.75, for a net expense of \$1,519.75 (versus the budgeted amount of \$4,000). Russell estimates that there were over 2,600 participants, making this our biggest attendance event of the year. There was discussion about the event and that some

attendees were not from our neighborhood. Jodi Hight, real estate agent, said at her booth, out of the 40 info. cards submitted to her, most were Park Glen residents.

- ii. Shredding and “Meet the Board” event – April 16 at Park Glen Elementary
- iii. Plans for Pool/Movie Nights – Dana said that we will have pool movie nights in June, July, and August.
- iv. A member pointed out that all of our events are for children, and there is nothing for adults. She said she spoke to a property management company, First Residential, about different events that some neighborhoods hold for adults, such as a Casino Night or a Wine Tasting Event. There was discussion. Russell pointed out that we lack sufficient volunteers, with Dana pretty much singlehandedly coordinating our events in addition to the other things she does, but we would love to do things that members want, including events for adults, if we can come up with good ideas that will be attended and volunteers to coordinate.
- v. Independence Day Celebration – July 2. Dana is actively planning.
- vi. “National Night Out” Block Parties – October 4. Russell said that we would like to have a number of block parties hosted by residents throughout the neighborhood. Residents can sign up or get more information on the “Volunteer” page of the website.
- d. Hospitality (new homeowner greetings (Dana Hammack)
- e. Development (Susan Kenney)
 - i. North Fort Worth Vision
 - ii. Traffic and Pedestrian Safety Committee – Update – Susan said that the committee has been working for several months and is beginning a concept plan now. The mission is to make Park Vista safer for all users: pedestrians, bicyclists, and motorists.
 - iii. Street Tree Proposal (Basswood and Park Vista) – Susan said she presented the Street tree concept plan to the PID.
- f. Service Committee (Tammy Overton/ Jodi Hight)
 - i. Cowtown Clean-up report – Jodi reported that we around 20 people participated in the cleanup of Arcadia Park #1 on April 2. We had a hot dog lunch.
- g. Deed Restriction and Standards Committee – Jack said that they are looking at establishing the most important things that Billy, the Inspector for RealManage should look for: 1) general lawn care – grass, 2) trees and shrubs (living plants are better than dead), 3) flower beds should be free of weeds and trash, and others. Jenifer said that one HOA listed their worst streets for violations, and this was effective in getting people to abide by regulations. Jack also said they are working on the language in the letters that go out.

10. Old / Unfinished Business

- a. Drawing for March Newsletter Crossword Puzzle Winner – Sharon Carlton won the drawing from the names of people who submitted correct crossword puzzles.
- b. Scholarship Program–Update & call for volunteers for the selection committee. Russell reported that Mark is engaged and ready to coordinate the program, but we need volunteers to select the scholarship recipients. Joe Lara and Jodi Hight volunteered for this.
- c. Speeders / Traffic & Pedestrian Safety Committee

11. Budget and Financials (Russell)

- a. Financial Statements – Russell went over the February financial statements.

- b. Accounts Receivable (A/R) Status Report – Russell put up a table showing that A/R fell to 392 homeowners (11.8%) owing a total of \$198,921.
- c. Audit – Update – We got the final audit report yesterday. They did not find any discrepancies or issues.

12. New Business

- a. Eggstravaganza 2017 - **Russell made a motion that the Association put on the annual Eggstravaganza event in 2017. The full event budget will be set later, but Dana Hammack is authorized to contract with a mobile petting zoo for the event, with a non-refundable deposit of up to \$500 required to make the reservation.** There was some discussion about whether this would be allowed in the Park (Dana had checked and reported that it would be allowed if the company was established and insured) and whether this would be a good thing to add to the Eggstravaganza. Barry seconded the motion. The motion passed unanimously.
- b. 9/30/15 Tax Preparation - **Russell made a motion to contract with Kimberling, McFarland & Associates, P.C. to prepare the tax return for the year ended 9/30/15, at a cost of \$350 for a form 1120-H) or \$700 if additional work or a standard 1120 is required. This is the same company that prepared our return last year. Barry seconded the motion. The motion passed unanimously.**
- c. Banners for Community Garage Sale - **Russell made a motion that the Association authorize up to \$250 for two banners to promote the semi-annual garage sales that are sponsored by PID6.** Banners will be put up for approximately 1 week in front of selected monument signs. One or two members questioned why the HOA should do this for a PID event; Russell answered that it would be because we feel that it would benefit the community. **Jack seconded the motion. The motion passed unanimously.**
- d. Settlement/ Concession Guidelines and Authority for A/R Accounts – **Russell made a motion that the Association Treasurer or President be empowered to waive:**
 - **up to half of the non-assessment charges on an account for immediate payment of the remaining balance, or**
 - **up to 1/3rd of the non-assessment charges on an account to be paid on a payment plan (waiver effective only at the completion of the plan; a \$100 payment plan will be assessed to the homeowner upfront and go to RealManage; late fees and interest will not be charged as long as the plan is kept).**
 - **Any request to waive more than the above (even for hardship or extenuating circumstances) must be approved by the Board.**
 - **Any waivers made will be relayed to the Board. A summary will be placed in monthly Board minutes.**

Russell explained that the purpose of his motion is to allow the Board President or Treasurer to negotiate with homeowners and act on behalf of the Board to carry out the kind of actions the Board would approve. **Jack seconded the motion. After a request from a member, Russell added “A summary will be placed in monthly Board minutes” to the motion. The motion as amended passed unanimously.**

- e. Yard of the Month Program - **Russell made a motion that the Association authorize a yard of the month program to recognize outstanding landscaping and yard maintenance in the months of May through September.**

- the program and judging to be coordinated by the Deed Restrictions Standards and Enforcement Committee chaired by Jack Webb.
- a winner to be recognized in each of the 13 villages.
- a winner may not repeat as winner for 18 months.
- up to \$200 be authorized to purchase reusable yard signs
- there will be no prizes other than the recognition of the yard sign.

There was some discussion about whether there should be a prize and whether it would be better to recognize a “street of the month” in each village. **The motion passed unanimously.**

- f. Expense Reimbursement Request – **Russell made a motion that Russell Zwerg be reimbursed \$1,162.75 for Park Glen expenses related to the website and Eggstravaganza event.** He went over the lines on his reimbursement form and announced that he had provided the entire Board with the request and copies of all receipts. **Jack seconded the motion. The motion passed unanimously.**

13. Member Comments

14. Next Board Meeting May 5, 2016 @ LAC, 7p

15. Adjourn - **Russell made a motion to adjourn. Barry seconded the motion. The motion passed unanimously.** The meeting adjourned at 9:07 pm.

Actions since 4/7/16 meeting - Immediately after the 4/7/16 meeting, the Board considered various homeowner requests & issues and decided:

- to approve the appeal of the ACC decision for property R0329580L0279471, contingent upon the Homeowner's follow-through with the proposed yard plan.
- to waive all other charges on account R0328259L0278140 contingent on the receipt of homeowner's payment of \$1000 by June 15, 2016.
- to waive \$195.75 in late fees and violation charges on account R0329805L0279698 due to extenuating circumstances. The Association Treasurer approved the additional reversal of \$15 to \$30 in late fees that were or may be billed between the Board's decision and the completion of the account adjustment.
- to waive the remaining late fees and violation charges on account R0329574L0279465 due to extenuating circumstances, conditioned on receipt of \$81.00 by April 30.
- to waive \$250.42 in violation charges, late fees, and attorney fees on account R0329863L0279756 due to past enforcement errors. The Association Treasurer approved the additional reversal of \$30-\$45 in late fees that were or may be billed between the date that the account balance was \$250.42 and the completion of the account adjustment.

Eggstravaganza: 10a-1p on 3/26/16

Proceeds (Exhibitor Tables)

Total Proceeds

Attendance Estimates

Expense

		<u>2016 Plan</u>	<u>2016 Actual</u> <u>3/26/2016</u>	<u>2016 Details</u>	<u>2015 Actual</u> <u>3/28/2015</u>	<u>2015 Details</u>	<u>2014 Total</u>	<u>2013 Total</u>
estimating 15 @ \$35				30 @ \$@ \$35 + 1 that donated items in lieu of \$35 + 2 that did not participate but donated items	9 @ \$40 (incl tables) + 8 @ \$35 + 2 that donated candy in lieu of \$35		21 @ \$35	23 @ \$35
Total Proceeds		\$525.00	\$1,050.00		\$640.00		\$735.00	\$805.00
Attendance Estimates				1300 kids + at least 1300 adults	800 kids + at least 800 adults			
Expense								
City Park Permit	City of Fort Worth	\$475.00	\$475.00	Fee for a nonprofit for 500-2500 participants	\$165.00	Fort Worth City Permit for "Island View Park" \$125 for fewer than 500 attendees, plus \$40 for 4th hour	\$200.00	\$35.00
Bounce Houses	Let's Jump - Rough estimate for now	\$800.00	\$421.05	Slide & Playland				
Generator	We may purchase one for this and future use	\$200.00	\$119.47	Have not bought a generator yet. \$69.47 to Let's Jump; \$50.00 Gift Card to Tal Finley for multiple use of his personal generator	\$809.40	3 different kinds from Let's Jump, including generator	\$748.25	\$657.41
Table Rentals	PGNA owns 4 light tables and 3 heavy tables, plus Russell has 3 more and access to 4 more.	\$0.00	N/A	Exhibitors provided their own	\$34.64	from AA Party Rental		
Signs	Won't need	\$0.00	N/A	Had from prior years	\$97.91	"Park Glen Neighborhood Association" banner; not just for Eggstravaganza; identifies PGNA for any community meeting or event	\$825.69	\$766.98
Portable Toilets		\$156.00	\$155.28	United Site Services	\$155.28	United Site Services	\$261.64	\$270.20
Sound / DJ	Will use our portable speaker and our own music playlist	\$0.00	N/A	Used our own powered speaker and playlist	\$250.00	DJ (David Moore / DM Productions)	\$300.00	\$300.00

Face Painter and/or Balloon Animal Maker	2 x 85 x 3 hours	\$510.00	\$510.00	Lindsey Foster & Cammi Ratliff	\$450.00	Thiel Fogerty (Beary Cute Balloons) \$75 per person x 2 people (face painter & balloon artist) x 3 hours		
Bunny Actor	1 x 85 x 3 hours	\$255.00	\$255.00	Brandi Foster	\$200.00	Thiel Fogerty (Beary Cute Balloons) \$100 x 2 hours did not sufficiently get out the spot, plus the suit is awkward to fit almost everybody	\$39.64	\$33.98
Bunny Suit Cleaning	Won't need	\$0.00	N/A		\$59.12			
Plastic Eggs	We have most of what we need. Estimating \$100 more, in case.	\$100.00	\$218.92	We bought some before Easter and 6,696 more on clearance at Hobby Lobby for next year	\$179.12	for future Easter events: \$46.57 Reimb to Russell; \$132.55 Reimb to Teresa		
Trinkets for Eggs	Estimating 10¢ per egg x 2,500 eggs (I think we have 5,000 eggs already stuffed with trinkets)	\$250.00	\$236.05		\$977.35	trinkets from Rebecca's for 15,000 eggs	\$1,113.71	\$1,987.73
Candy for Eggs	Estimating 10¢ per egg x 7,500 eggs	\$750.00	\$67.08		no charge (in lieu of vendor fee)	5 bags of candy from Costco for 2,000 eggs; Donations for more eggs. Special Prize Basket (one per age group) and craft activities		
Special Prizes & Activities estimate		\$100.00	\$74.92	\$41.92 for Special Prize Baskets, \$33 for cookies at PGNA Table	\$104.41			
Donation to area High Schools for Volunteer Help	trying to use neighborhood volunteers to stuff eggs this year, so estimating \$0 for now.	\$0.00	\$0.00	Used Park Glen resident volunteers to stuff eggs; Local Honor societies helped day of event	\$250.00	Haltom Area Band Friends to stuff eggs	\$250.00	\$284.25
Supplies	just in case	\$100.00	\$36.98	4 Large Tubs	\$103.56	\$12.99 first aid kit, \$30 wooden bench and \$43.29 cushion, \$17.28 orange ground stakes	Included Above	
Printing	Should not need	\$0.00	N/A		N/A			\$4.00
T-Shirts	Won't need	\$0.00	N/A		N/A	2013 T-shirt exp was to promote this and other 2013 events	\$259.80	\$5,211.17
Total Expense		\$3,696.00	\$2,569.75		\$3,835.79		\$3,998.73	\$9,550.72
Net Expense or (Profit)		\$3,171.00	\$1,519.75		\$3,195.79		\$3,263.73	\$8,745.72
Budget Maximum net cost (sponsor fees minus tota		\$4,000.00	\$4,000.00		\$4,000.00			
Over (Under) budget by:		(\$829.00)	(\$2,480.25)		(\$804.21)			

Park Glen Neighborhood Association Balance Sheets	9/30/2015 Year End (agrees with audit except for Rounding Variances)	10/31/2015	11/30/2015	12/31/2015	1/31/2016	2/29/2016
<u>ASSETS</u>						
Union Bank-Checking Account	\$ 126,097.49	\$ 244,710.09	\$ 259,693.51	\$ 273,221.33	\$ 286,330.66	\$ 284,289.66
Legend Bank-Checking Account	\$ 224,961.16	\$ 224,961.16	\$ 231,918.60	\$ 235,744.44	\$ 235,744.44	\$ 235,744.44
TOTAL IN BANK	\$ 351,058.65	\$ 469,671.25	\$ 491,612.11	\$ 508,965.77	\$ 522,075.10	\$ 520,034.10
Accounts Receivable-Member Accts	\$ 189,139.27	\$ 258,013.01	\$ 244,121.24	\$ 227,647.95	\$ 211,551.60	\$ 203,663.77
Accts Receiv-Former Homeowners						
Bad Debt Allowance	\$ (165,353.23)	\$ (181,346.66)	\$ (177,067.29)	\$ (177,067.29)	\$ (175,222.29)	\$ (163,282.40)
Prepaid Expenses	\$ 1,442.00	\$ 1,350.00	\$ 92.00	\$ 92.00	\$ -	
Prepaid Insurance	\$ 11,413.47	\$ 10,289.79	\$ 9,181.11	\$ 8,072.43	\$ 6,963.75	\$ 5,855.07
TOTAL OTHER CURRENT ASSETS	\$ 36,641.51	\$ 88,306.14	\$ 76,327.06	\$ 58,745.09	\$ 43,293.06	\$ 46,236.44
TOTAL ASSETS	\$ 387,700.16	\$ 557,977.39	\$ 567,939.17	\$ 567,710.86	\$ 565,368.16	\$ 566,270.54
<u>LIABILITIES</u>						
Accounts Payable & Oth Accrued Exp	\$ 31,647.58	\$ 29,892.28	\$ 36,549.78	\$ 36,887.28	\$ 35,799.78	\$ 30,183.28
Deferred Assessments Income	\$ -	\$ 200,920.50	\$ 182,737.50	\$ 164,538.00	\$ 146,283.50	\$ 127,875.00
Prepaid Owner Assessments	\$ 30,773.97	\$ 6,758.03	\$ 7,741.80	\$ 6,481.50	\$ 6,819.80	\$ 7,255.80
Prepaid by Former Owners	\$ 1,356.85	\$ 1,356.85	\$ 1,356.85	\$ 1,356.85	\$ 1,356.85	\$ 1,356.85
TOTAL LIABILITIES	\$ 63,778.40	\$ 238,927.66	\$ 228,385.93	\$ 209,263.63	\$ 190,259.93	\$ 166,670.93
<u>ACCUMULATED SURPLUS</u>						
Surplus / (Deficit) thru Prior Year	\$ 252,306.73	\$ 323,921.76	\$ 323,921.76	\$ 323,921.76	\$ 323,921.76	\$ 323,921.76
Current YTD Net Surplus / (Deficit)	\$ 71,615.03	\$ (4,872.03)	\$ 15,631.48	\$ 34,525.47	\$ 51,186.47	\$ 75,677.85
TOTAL ACCUMULATED SURPLUS	\$ 323,921.76	\$ 319,049.73	\$ 339,553.24	\$ 358,447.23	\$ 375,108.23	\$ 399,599.61
TOTAL LIABILITIES & SURPLUS	\$ 387,700.16	\$ 557,977.39	\$ 567,939.17	\$ 567,710.86	\$ 565,368.16	\$ 566,270.54

February Notes

includes \$391
undeposited
receipts.

Bal should be
\$218,988 / 12 * 7 =
\$127,743, off by
\$132.

Park Glen Neighborhood Association Income Statements (fiscal years are October thru September)	2015-2016 Budget Accepted 8/11/15	Prorated Monthly Budget (1/12th of the Annual Budget)	Nov-15	Dec-15	Jan-16	Feb-16	Year-to-Date (Oct-15 thru Feb-16) Actual	Prorated YTD Budget (5 months)	February Notes
Assessment Income	\$ 218,988.00	\$ 18,249.00	\$ 18,253.79	\$ 18,142.30	\$ 18,254.50	\$ 18,157.27	\$ 91,262.56	\$ 91,245.00	Std Mthly Amt, with 91.73 in adjustments
Late Fee Income	\$ 20,000.00	\$ 1,666.67	\$ 13,125.00	\$ 10,970.00	\$ 6,030.00	\$ 4,800.00	\$ 34,925.00	\$ 8,333.33	
Interest on Receivables	\$ 5,000.00	\$ 416.67			\$ 1.29		\$ 1.29	\$ 2,083.33	
Fines and Violations	\$ 7,000.00	\$ 583.33					\$ -	\$ 2,916.67	
Letter Fees Reimburseme	\$ 1,500.00	\$ 125.00					\$ -	\$ 625.00	
Legal Fees Reimbursemer	\$ 7,500.00	\$ 625.00					\$ -	\$ 3,125.00	
Payment Plan Fees	\$ -	\$ -					\$ -	\$ -	
Collection Fees Reimburse	\$ -	\$ -					\$ -	\$ -	
Returned Item Fee Reimb	\$ -	\$ -					\$ -	\$ -	
Forced Maintenance Reim	\$ -	\$ -					\$ -	\$ -	
Interest Income	\$ -	\$ -					\$ -	\$ -	
Social Event Income	\$ 12,000.00	\$ 1,000.00	\$ 11,140.00	\$ 10,165.00			\$ 21,305.00	\$ 5,000.00	
Insurance Reimb (Mailbox Repair)	\$ -	\$ -		\$ 850.00			\$ 850.00	\$ -	
Total Income	\$ 271,988.00	\$ 22,665.67	\$ 42,518.79	\$ 40,127.30	\$24,285.79	\$ 22,957.27	\$ 148,343.85	\$ 113,328.33	
Management Fees - Contr	\$ 24,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 10,000.00	\$ 10,000.00	Standard Contract Amount
Management Fees - Admin	\$ 33,600.00	\$ 2,800.00	\$ 2,300.00	\$ 2,350.00	\$ 2,300.00	\$ 2,300.00	\$ 11,550.00	\$ 14,000.00	
Collection Fees to Mgmt C	\$ 18,000.00	\$ 1,500.00	\$ 7,937.50	\$ 6,225.00	\$ 2,837.50	\$ 1,750.00	\$ 20,250.00	\$ 7,500.00	\$1500 Standard Contract Amount + \$250 for Collection Letters: 352 letters sent; 20 above the allowable10% (332) billed at \$12.50 ea. BUT THE % SHOULD BE 13% FOR FEBRUARY THROUGH MAY, so credit of \$250 is due to us from RM
Collection Fees-Legal/Age	\$ 15,000.00	\$ 1,250.00					\$ -	\$ 6,250.00	
Legal Fees-Non Collection	\$ 16,000.00	\$ 1,333.33	\$ 5,487.50	\$ 2,155.75		\$ 202.50	\$ 7,845.75	\$ 6,666.67	This expense is understated due to delayed billing from the attorney.
Accounting / Audit	\$ 9,000.00	\$ 750.00				\$ 1,665.44	\$ 1,665.44	\$ 3,750.00	
Professional Fees - Electic	\$ 6,200.00	\$ 516.67					\$ -	\$ 2,583.33	

Park Glen Neighborhood Association Income Statements (fiscal years are October thru September)	2015-2016 Budget Accepted 8/11/15	Prorated Monthly Budget (1/12th of the Annual Budget)	Nov-15	Dec-15	Jan-16	Feb-16	Year-to-Date (Oct-15 thru Feb-16) Actual	Prorated YTD Budget (5 months)
Bad Debt Expense	\$ 30,000.00	\$ 2,500.00	\$ (2,707.65)	\$ (2,237.28)	\$ (713.39)	\$ (10,652.73)	\$ -	\$ 12,500.00
Insurance	\$ 14,304.00	\$ 1,192.00	\$ 1,465.37	\$ 1,108.68	\$ 1,108.68	\$ 1,108.68	\$ 5,915.09	\$ 5,960.00
General Maint. & Repair	\$ 156,000.00	\$ 13,000.00		\$ 3,200.00			\$ 3,200.00	\$ 65,000.00
Dues & Subscriptions	\$ 100.00	\$ 8.33					\$ -	\$ 41.67
Supplies	\$ 500.00	\$ 41.67					\$ -	\$ 208.33
Postage & Courier	\$ 2,000.00	\$ 166.67					\$ -	\$ 833.33
Printing & Reproduction	\$ 500.00	\$ 41.67					\$ -	\$ 208.33
Storage	\$ 1,169.00	\$ 97.42	\$ 92.00	\$ 92.00	\$ 92.00	\$ 92.00	\$ 460.00	\$ 487.08
Licenses & Permits / Filing	\$ 200.00	\$ 16.67					\$ -	\$ 83.33
Social Activities	\$ 30,000.00	\$ 2,500.00	\$ 5,435.56	\$ 5,303.57			\$ 10,739.13	\$ 12,500.00
Community Engagement				\$ 985.74			\$ 985.74	\$ -
Scholarships/Charitable	\$ 10,000.00	\$ 833.33					\$ -	\$ 4,166.67
Hospitality	\$ 1,200.00	\$ 100.00		\$ 28.00			\$ 28.00	\$ 500.00
Board & Community Meeti	\$ 1,500.00	\$ 125.00		\$ 4.00			\$ 4.00	\$ 625.00
Website	\$ 1,000.00	\$ 83.33		\$ 17.85			\$ 17.85	\$ 416.67
Bank & Credit Card Fees	\$ -	\$ -	\$ 5.00				\$ 5.00	\$ -
Miscellaneous	\$ -	\$ -					\$ -	\$ -
Total Expense	\$ 370,273.00	\$ 30,856.08	\$ 22,015.28	\$ 21,233.31	\$ 7,624.79	\$ (1,534.11)	\$ 72,666.00	\$ 154,280.42
Net Surplus / (Deficit)	\$ (98,285.00)	\$ (8,190.42)	\$ 20,503.51	\$ 18,893.99	\$ 16,661.00	\$ 24,491.38	\$ 75,677.85	\$ (40,952.08)

February Notes

There should be consistent small monthly expense rather than the reserve being reduced each month as posted here so far. Standard Monthly Expense Amortization

Monthly Storage Unit Rent. Rent going up to \$103 effective 5/1/16.

Accounts Receivable Recap	1/7/16	2/4/16	3/3/16	4/7/16	Change
Accounts owing \$2,000 or more	24	24	23	23	0
Accounts owing between \$1,000 and \$1,999	54	54	55	54	-1
Accounts owing between \$500 and \$999	53	51	49	48	-1
Accounts owing over \$141 to \$499	109	96	86	78	-8
Accts owing between \$66 and \$141. Most of these were current before the last assessment	282	166	121	98	-23
Accounts owing less than \$66. Most of these paid their latest assessment but have some small old items or new late fees (e.g. they paid their latest assessment after late fees were billed)	144	159	117	91	-26
Total Past Due # of Accounts:	666	550	451	392	-59
% of 3,318 Homeowners:	20.1%	16.6%	13.6%	11.8%	
Total Past Due \$ Owed:	\$222,020	\$209,517	\$202,626	\$198,921	-\$3,705

TIMOTHY, DeVOLT AND COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 803367

DALLAS, TEXAS 75380-3367

OFFICE: (972) 980-4315

FAX: (972) 702-0174

stimothy@timothydevolt.com

To the Board of Directors
Park Glen Neighborhood Association, Inc.

March 29, 2016

In planning and performing our audit of the financial statements of the Park Glen Neighborhood Association, Inc. as of and for the year ended September 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Park Glen Neighborhood Association, Inc.'s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management (the board of directors) or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Association's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A fundamental concept in a good system of internal control is the separation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. If the separation of duties is inadequate, there is a resulting danger that intentional fraud or unintentional errors could occur and not be detected. Although the size of the entity's accounting staff might make complete adherence to this concept more difficult, we believe that adequate steps have been taken to segregate incompatible duties.

Management (the board of directors) is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation in the financial statements of

financial position, results of operations, and cash flows, including the notes to financial statements, in conformity with U.S. generally accepted accounting principles.

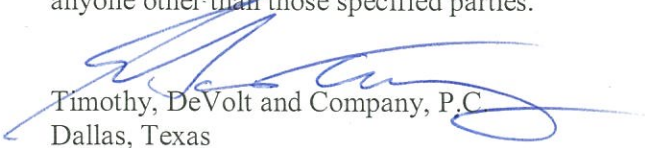
At times, management (the board of directors) may choose to outsource certain accounting functions due to cost or training considerations. Such accounting functions and service providers must be governed by the control policies and procedures of the entity. Management (the board of directors) is as responsible for outsourced functions performed by a service provider as it would be for such functions performed internally.

Specifically, management (the board of directors) is responsible for management decisions and functions: for designating an individual with suitable skill, knowledge, or experience to oversee any outsourced services; and for evaluating the adequacy and results of those services and accepting responsibility for them.

As part of the audit, management (the board of directors) requested us to prepare a draft of your financial statements, including the related notes to the financial statements. Management (the board of directors) reviewed, approved, and accepted responsibility for those financial statements prior to their issuance; however, management (the board of directors) did not perform a detailed review of our work papers underlying the financial statements.

The existence of significant deficiencies or material weaknesses may already be known to management (the board of directors) and may represent a conscious decision by management (the board of directors) or those charged with governance to accept that degree of risk because of cost or other considerations. Management (the board of directors) is responsible for making decisions concerning costs and the related benefits. We are responsible for communicating significant deficiencies and material weaknesses in accordance with professional standards, regardless of management (the board of directors)'s decisions.

This communication is intended solely for the information and use of the association's board of directors, and others within the organization, and is not intended to be, and should not be, used by anyone other than those specified parties.



Timothy, DeVolt and Company, P.C.
Dallas, Texas

TIMOTHY, DeVOLT and COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 803367

DALLAS, TEXAS 75380-3367

OFFICE: (972) 980-4315

FAX: (972) 702-0174

stimothy@timothydevolt.com

To The Board of Directors
Park Glen Neighborhood Association, Inc.

March 29, 2016

We have audited the financial statements of the Park Glen Neighborhood Association, Inc. for the year ended September 30, 2015, and have issued our report thereon dated March 29, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you executed October 21, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management (the Board of Directors) is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Park Glen Neighborhood Association, Inc. are described in Footnote 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2015. We noted no transactions entered into by the association during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management (the Board of Directors) and are based on management's (the Board of Directors') knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's (the Board of Directors') estimate of the allowance for doubtful accounts is based on historical revenue, historical loss levels, and an analysis of the collectibility of individual accounts. We evaluated the key factors and assumptions used to develop the

allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The supplementary information dealing with the amounts allocated to the replacement fund for the year.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

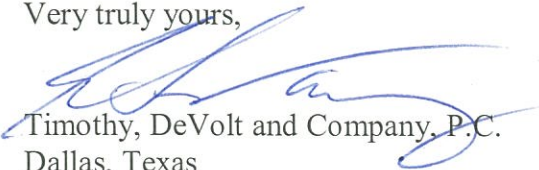
We have requested certain representations from the Board of Directors that are included in the management representation letter dated March 29, 2016.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Association's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Park Glen Neighborhood Association, Inc. board of directors and is not intended to be and should not be used by anyone other than those specified parties.

Very truly yours,


Timothy, DeVolt and Company, P.C.
Dallas, Texas

PARK GLEN NEIGHBORHOOD ASSOCIATION, INC.

TABLE OF CONTENTS

SEPTEMBER 30, 2015

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
BALANCE SHEET	3
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE	4
STATEMENT OF CASH FLOWS	5
FOOTNOTES TO THE FINANCIAL STATEMENTS	6 - 9

TIMOTHY, DeVOLT AND COMPANY, P.C.

P. O. BOX 803367
DALLAS, TEXAS 75380-3367
(972) 980-4315
FAX (972) 702-0174

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Park Glen Neighborhood Association, Inc.
Fort Worth, Texas

We have audited the accompanying financial statements of Park Glen Neighborhood Association, Inc., which comprise the Balance Sheet as of September 30, 2015, and the related Statements of Revenues, Expenses and Changes in Fund Balance, and Cash Flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

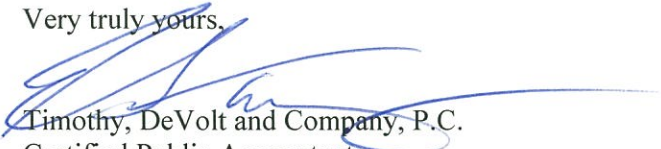
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Park Glen Neighborhood Association, Inc. as of September 30, 2015, and the results of its operations, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report On Supplementary Information

Management has omitted the information on future major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Very truly yours,



Timothy, DeVolt and Company, P.C.
Certified Public Accountants
March 29, 2016

PARK GLEN NEIGHBORHOOD ASSOCIATION, INC.
BALANCE SHEET
SEPTEMBER 30, 2015

ASSETS			
	OPERATING FUND	REPLACEMENT FUND	TOTAL
CURRENT ASSETS			
Cash, including interest-bearing deposits	\$ 351,058	\$	\$ 351,058
Assessments receivable, less allowance for doubtful accounts of \$ 165,353	23,786		23,786
Prepaid insurance	11,413		11,413
Prepaid expense - other	1,442		1,442
TOTAL CURRENT ASSETS	<u>387,699</u>	-	<u>387,699</u>
 TOTAL ASSETS	 <u>\$ 387,699</u>	 <u>\$ -</u>	 <u>\$ 387,699</u>

LIABILITIES AND FUND BALANCES

CURRENT LIABILITIES			
Accounts payable	\$ 33,003	\$	\$ 33,003
Assessments received in advance	30,774		30,774
TOTAL CURRENT LIABILITIES	<u>63,777</u>	-	<u>63,777</u>
 TOTAL LIABILITIES	 <u>63,777</u>	 -	 <u>63,777</u>
 FUND BALANCES / (DEFICITS)	 <u>323,922</u>	 -	 <u>323,922</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 387,699</u>	<u>\$ -</u>	<u>\$ 387,699</u>

See the accompanying Independent Auditors' Report
and the Footnotes to the Financial Statements.

PARK GLEN NEIGHBORHOOD ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	OPERATING FUND	REPLACEMENT FUND	TOTAL
REVENUES			
Regular assessments	\$ 218,988	\$	\$ 218,988
Late/collection charges	56,712		56,712
Miscellaneous income	18,700		18,700
Interest income	530		530
TOTAL REVENUES	<u>294,930</u>	-	<u>294,930</u>
OPERATING EXPENSES			
Management fees	80,998		80,998
Office supplies & admin. costs	78,806		78,806
Social events	23,686		23,686
Legal & professional fees	20,030		20,030
Insurance expense	8,844		8,844
Bad debt expense	7,020		7,020
Common area maintenance	3,931		3,931
TOTAL OPERATING EXPENSES	<u>223,315</u>	-	<u>223,315</u>
EXCESS REVENUES / (EXPENSES) FROM OPERATIONS	<u>\$ 71,615</u>	-	<u>\$ 71,615</u>
EXCESS REVENUES / (EXPENSES)	<u>\$ 71,615</u>	-	<u>\$ 71,615</u>
BEGINNING FUND BALANCE / (DEFICIT)	<u>252,307</u>	-	<u>252,307</u>
ENDING FUND BALANCE / (DEFICIT)	<u>\$ 323,922</u>	-	<u>\$ 323,922</u>

See the accompanying Independent Auditors' Report
and the Footnotes to the Financial Statements.

PARK GLEN NEIGHBORHOOD ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
CASH FLOW FROM OPERATING ACTIVITIES:			
Excess revenues/ (expenses)	\$ 71,615	\$ -	\$ 71,615
Decrease / (Increase) in:			
Accounts receivable	(2,788)	-	(2,788)
Prepaid expenses	(5,087)	-	(5,087)
Increase / (Decrease) in:			
Accounts payable	24,441	-	24,441
Prepaid assessments	(92,520)	-	(92,520)
Miscellaneous payable	(6,120)	-	(6,120)
NET CASH PROVIDED/ (USED) BY OPERATIONS	<u>(10,459)</u>	<u>-</u>	<u>(10,459)</u>
CASH FLOW FROM INVESTING ACTIVITIES:			
Investment in certificates of deposit	<u>174,025</u>	<u>-</u>	<u>174,025</u>
NET CASH PROVIDED/ (USED) BY INVESTING	<u>174,025</u>	<u>-</u>	<u>174,025</u>
NET INCREASE/ (DECREASE) IN CASH	163,566	-	163,566
CASH BALANCE, SEPTEMBER 30, 2014	<u>187,492</u>	<u>-</u>	<u>187,492</u>
CASH BALANCE, SEPTEMBER 30, 2015	<u>\$ 351,058</u>	<u>\$ -</u>	<u>\$ 351,058</u>
SUPPLEMENTAL DISCLOSURE:			
Cash paid during the year for:			
Federal Income Tax	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Interest Expense	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying Independent Auditors' Report
and the Footnotes to the Financial Statements.

PARK GLEN NEIGHBORHOOD ASSOCIATION, INC.
FOOTNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

FOOTNOTE 1: Park Glen Neighborhood Association, Inc. is a Texas non-profit corporation formed July 25, 1997. The purpose of the Association is to operate and maintain the Park Glen Neighborhood Association project. The project consists of 3,318 units and associated common areas located in Fort Worth, Texas.

FOOTNOTE 2: In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through March 29, 2016, the date that the financial statements were available to be issued.

FOOTNOTE 3: The books and records for Park Glen Neighborhood Association, Inc. are maintained on the accrual basis of accounting.

FUND ACCOUNTING: The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restriction on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

OPERATING FUND: This fund is used to account for financial resources available for the general operations of the Association.

REPLACEMENT FUND: This fund is used to accumulate financial resources designated for future major repairs and replacements.

CASH AND CASH EQUIVALENTS: For the purposes of these financial statements, cash and cash equivalents are deemed to be cash in bank checking, savings and money market accounts and time deposits with a maturity date of ninety days or less.

REVENUES: Revenues are accrued each month as the member assessments become due. Both the rate for members' assessments and the amount of any special assessments due are determined by the vote of the Board of Directors.

EXPENDITURES: Expenses are recognized when incurred, rather than when paid. Unbudgeted, non-emergency expenditures must be approved by the President, Treasurer or other member of the Board. All other expenditures, projects and services are contracted using competitive bidding policies. The Board of Directors has the final approval on all contracts.

See the accompanying Independent Auditors' Report.

PARK GLEN NEIGHBORHOOD ASSOCIATION, INC.
FOOTNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

FOOTNOTE 3: (CONTINUED):

ACCOUNTS RECEIVABLE: Assessments receivable at the balance sheet date represent fees due from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are ninety days or more delinquent. The Association has a lien right against each unit until all dues or assessments are paid, such liens being subordinate to governmental and mortgage liens and legal fees associated with foreclosure proceedings. Any excess assessments at year end are retained by the Association for use in the succeeding year.

ALLOWANCE FOR DOUBTFUL ACCOUNTS: The allowance for doubtful accounts has been determined by the Association based on historical losses and by estimates based on current economic conditions. At September 30, 2015, the allowance for doubtful accounts of \$ 165,353 represents approximately 87.42 % of the total accounts receivable and 90.04 % of the outstanding amounts in excess of ninety days.

PROPERTY AND EQUIPMENT: The Association assumed, from the developer, the responsibility to maintain and preserve the common areas of the project. Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because the Association cannot dispose of this property. The Association capitalizes personal property, if any, at cost and depreciates it using the straight-line method, over the applicable useful lives.

FEDERAL INCOME TAX: The Association must make an annual election to file its Federal Income Tax return either under the provisions of the Internal Revenue code dealing specifically with Homeowners Associations (Section 528) or Sub-Chapter A, dealing with corporations in general. Section 528 would impose a tax rate of 30% to the extent of the Association's non-exempt function net income, primarily vending, rental and interest income. Alternatively, Sub-Chapter A imposes a graduated tax on the Association's overall net income, if any.

As a result of the Association's operations for the year ended September 30, 2015, the Association has elected to file under Section 528. Income tax for the year was \$ -0-.

Currently, the open tax years available to audit by the IRS are 2012, 2013 and 2014. However, the Association has not been notified that any of these tax return years have been selected for audit by the IRS.

See the accompanying Independent Auditors' Report.

PARK GLEN NEIGHBORHOOD ASSOCIATION, INC.
FOOTNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

FOOTNOTE 3: (CONTINUED):

ESTIMATES: The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

FOOTNOTE 4: COMMITMENTS: The Association enters into various contracts for management and accounting, lawn maintenance, and other services. These contracts are generally for a term of one year, and may generally be canceled by either party giving 30 day's notice.

FOOTNOTE 5: FAIR VALUE: The Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements), moderate priority to a valuation based on quoted prices in active markets for similar assets and liabilities and/or based on assumptions that are observable (level 2 measurements), and the lowest priority to unobservable inputs (level 3 measurements). The carrying amounts reflected in the September 30, 2015 balance sheet for cash and cash equivalents approximate the respective fair values. All cash and cash equivalents, including money market accounts, are held in banks. The Association currently has no money market accounts with non-federally insured institutions.

FOOTNOTE 6: RELATED PARTY TRANSACTIONS: During 2014, Board and Committee members received \$ 7,809.54 for reimbursement of services obtained and miscellaneous expenses paid as of September 30, 2015.

FOOTNOTE 7: LITIGATION: The Association is currently involved in litigation with Property Management Solutions regarding the Association's contract termination. A potential liability amount of \$ 29,302.28 has been recorded as of September 30, 2015.

See the accompanying Independent Auditors' Report.

PARK GLEN NEIGHBORHOOD ASSOCIATION, INC.
FOOTNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

FOOTNOTE 8: REPLACEMENT FUND: The Association has not conducted a study to determine the amount of future major repairs and replacements. The Association's governing documents generally provide for the levying for special assessments or the increasing of regular assessments when major repairs and replacements are needed. The Board of Directors, however, has not chosen to establish a replacement fund and to accumulate funds for the estimated costs of future major repairs and replacements.

See the accompanying Independent Auditors' Report.