

## River Mountain Ranch POA Road Funding Analysis

The purpose of this document is to summarize an analysis of potential road maintenance and repair expenses by RMR POA versus Hays County. Analysis starts in 2015 and all amounts are in 2015 \$ unless specified otherwise.

### POA

\$45,000 per year is assumed for spot pavement repairs and other expenses including mowing, tree trimming and signs. A 15-year cycle is assumed for chip seal of the entire road system, which is \$160,000 every five years starting in 2020. No planned replacement is included and no contingencies are included. Total costs are \$1,975,000, or \$320 annually per member through 2040. At current dues, a special assessment of \$1,100 per member would be required every 5 years.

### County

Hays County provided a not-to-exceed estimate of \$1.8M to bring the roads up to standard. A not-to-exceed amount of \$900,000 (½) would be assessed to the POA members and other affected property owners and payable over 7 years in equal annual installments. The total assessment per property owner would be approximately \$3,700 based on 242 lots/tracts. POA maintenance is assumed for 2015 and 2016 at \$33,000 per year (funded by current POA dues and fund balances), with County maintenance and assessment beginning in 2017. A \$75 per member annual rebate of dues by RMR POA is assumed from 2017 to 2023, since the POA will no longer be responsible for road maintenance. Total costs are \$840,000, or \$450 annually per member (which includes the POA rebate) from 2017 through 2023, and \$0 from 2023 to 2040.

The following chart provides a visual comparison of the POA versus the County. The County has higher costs initially, but reaches break-even with the POA at the end of 2025.

