



The Legends at a Crossroad: Protecting our Investments with Better Roads

Town Hall Meeting
August 27, 2024

Our Roads – The Bad and The Ugly



Our future roads without intervention





How Did We Get Here?

1. The Legends was established in 2005 with \$25k in reserves
2. East roads (Tulum, Alonzo, Espinosa, & Massari) were built in 1999 and west roads (Vespucci, Pompilo, Pecan Vista, Anzavita, & Amerigo) in 2003 with a 40-year life expectancy
3. Our view of the Santa Rita Mtn is at a cost - 4 miles of roads
4. As a gated community - we are financially responsible for all our HOA roads. This includes Pecan Valley with Sunrise Pointe Vista and Sunrise Vista
5. In 2021 the Road Committee started a roads study, which included hiring a consulting firm in 2023 (report is available on our Website)



How Did We Get Here?

6. The Result - our roads are deteriorating at a higher rate than originally expected and east roads should be repaved in 2027
7. Repaving road costs have skyrocketed. We do not have the funds (\$1.5 - \$2M) to repave the east roads in 2027 and west in 2035
8. On 1/1/2025 we will have \$227k in our reserves for our roads after sealcoating all roads in 2024
9. We are working on a funding plan to maintain and repave all roads by 2038 (east - 2034 & west -2038) for a cost of \$2.840M (inflated)
10. Many HOAs are having the same road funding challenges



Projected Road Work 2024 - 2038

1. Sealcoat all roads in 2024 and 2029
2. Repave east roads in 2034 (Tulum, Alonzo, Espinosa, Massari & 50% of Calle Astorga)
3. Repave west roads in 2038 (Vespucci, Pompilo, Pecan Vista, Anzavita, Amerigo & 50% of Calle Astorga)
4. Minor repairs will be completed from 2024 – 2037
5. Sealcoating will be completed as needed to maintain roads



Funding our Roads

1. Create Capital Improvement/Road fund

- 70% of current reserve balance (\$227k as of 1/1/25)
- Entire Transfer Fee (changed to \$1,150 as of 4/17/24)
- 70% of Annual Reserve Contribution (\$25k - \$28k)
- Unfortunately, additional funding is needed to cover repaving roads, which is estimated at \$2M in today's dollars
- Limited to increase annual HOA fee to 5%
- Two options: One Time Assessment or Annual Fee
- We need to raise \$2.5M between 2025 and 2038



Funding our Roads

1. One Time Assessment (needs a vote to pass)
 - \$7,800 in 2 to 3 years
 - \$3,200 in year 2 and \$5,600 in year 14
 - Does not fund future road repaving projects

2. Annual Assessment Fee (needs a vote to pass)
 - Due July 1st in 2025
 - Estimated annual fee - \$490 - \$520
 - Would increase with inflation
 - Would fund future road repaving projects
 - Could be lowered by future BOD after 2038



Road Work & Funding Timeline Summary

Road Work Costs (2025 -2038)

Sealing All Roads	\$	332,000.00
Road Repair		44,000.00
Repave East Roads		1,229,000.00
Repave West Roads		1,333,000.00
Total	\$	2,938,000.00

Funding (2025 - 2038)

Annual Fee with a 2% Inflation increase	\$	1,741,159.26
Reserve Contribution		619,000.00
Transfer Fee		339,250.00
Reserve Earnings		411,979.20
Total	\$	3,111,388.46

Starting at 500/year in 2025 for 218 homes with 2% inflation

70% of 40,000 per year (Contribution to Reserve)

\$1,150 per home sold per year (average 20 homes per year)

2% interest earned on Road Reserve

Road Reserve balance as of 12/31/2038	\$	173,388.46
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Benefits to the Residents

1. Per local real estate agent - Good roads are a critical component to our home's market value
2. Taking care of our roads will reduce possible repairs to our vehicles
3. We will have a desirable place to live
4. The Legends will continue to be an exceptional community



Update Since Last Meeting

1. Obtaining bids for seal coating all roads
2. Talking to other HOA Presidents who have repaved their roads
3. Confirming repaving cost with other construction companies
4. Getting details on our road top and base layers
5. Holding one off meetings to answer road concerns



Questions & Answers
