

Dear PHRA community:

I wanted to flag a few things for you:

1. The **pool resurfacing project paid for from existing reserves of no more than \$170,000 was approved** by a shareholder vote (167 yes and one vote no).
2. After discussing the budget and predicted 2022 reserve levels, **the board agreed unanimously to raise dues and some fees.** (We will send a separate email about dues, which are payable by March 4 to avoid a late fee.)
3. PHRA still has significant **recommended near-term maintenance expenditures**, which also factored into the board's thinking when we discussed our budget and reserves levels. I've highlighted some of those for your awareness.

1. Pool resurfacing: On January 31, shareholders voted 167 in favor and one not in favor to resurface the pool. This is long overdue work, which we aim to complete before the 2022 swim season. The resurfacing will protect and maintain our biggest asset- the pool- and avoid more costly repairs down the road by preventing damage to the steel pool infrastructure. Hopefully additional damage hasn't already been done but we won't know if there's already been damage to the steel cage until the plaster and gunite are removed.

2. PHRA dues and share sales: The board considered the following when discussing the budget and dues for 2022: dues at comparable local pools, the last time dues were increased at PHRA (which was 2015), and the estimated reserve levels after the heaters and pool resurfacing work (less than \$50,000).

With the dues and fees increased below, the board aims to rebuild our reserves to \$120,000 by the end of the calendar year (recommended reserves are a minimum of \$250,000).

The board unanimously agreed to:

1. Raise the shareholder dues by \$200 (from \$440 to \$640)
2. Raise the rental dues by \$250 (from \$660 to \$910)
3. Raise the per person fee by \$10 (from \$30 to \$40)
4. Raise the fee on dues paid late by \$25 (from \$100 to \$125)
5. Per the bylaws, the board implemented a share transfer fee of \$250, which will be deducted from the share price when the share is redeemed.
6. Raise the individual guest pass fee to \$10 (from \$5). Please note the 25 pack of guest passes purchased online remains \$125 and guest passes do not expire.

3. Maintenance needs: The board also discussed additional maintenance recommended by our third party consultant, Mason & Mason Capital Reserve Analysts, which was detailed in a 2019 report assessing PHRA's near term capital needs. Highlights from the report are included in the chart below and total

approximately \$850,000.

Project	Bid Received	Cost	Proposed Timing
Pool resurfacing	Yes	\$150,000	2022
Erosion wall and grading	Yes	\$24,000	2022
Sidewalk replacement	Yes	\$36,000	2023
Concrete dumpster pad	Yes	\$10,000	2023
Volleyball Court refresh	Yes	\$15,000	2023
Parking lot and access road resurfacing	Yes	\$65,000	2023
Tennis Court Resurfacing	Mason estimate	\$150,000	2023
Tennis Court Refinishing	Mason estimate	\$32,000	2023
Pool House New Plumbing	Mason estimate	\$90,000	2024
Locker room refresh	Mason estimate	\$220,000	2024
Kitchen Redo	Mason estimate	\$22,000	2024
Basketball resurfacing	Mason estimate	\$35,800	2024
	Total	\$849,800	