

# PROPANE SAVINGS FOR POOL HEATERS CASE STUDY | SUNDANCE ADULT VILLAGE HOA

BUCKEYE, ARIZONA 2015-2016

## SCENARIO

Sundance Adult Village HOA is an amenity and lifestyle-rich community in Buckeye, Arizona. In 2015, the Community Manager conducted a thorough cost analysis of the community's operating expenses. During this assessment, it noted that the propane used to heat the community pools were unusually high and usage needed to be investigated further for any potential cost savings.



## RESEARCH PREPARED

The first step in the propane usage investigation was to determine if there were any leaks in the system. The system was inspected for leaks and it was determined that they were functioning properly. Next, the product cost for the propane was analyzed and various cost options were provided by multiple vendors. From this analysis, it was determined that the best approach for propane sourcing would be to enroll in annual contract pricing. With annual contract pricing, the community would be supplied with a years' worth of propane at a fixed cost per gallon. In turn, this would help avoid the fluctuation in the propane costs throughout the year.

## PROPOSED SOLUTION

The proposal to contract with the propane provider for the annual usage at the fixed rate was presented to the Board of Directors.

## EXECUTION

The Board of Directors voted to proceed with the annual contract for usage at the fixed rate with the propane provider.

## OUTCOME/INCLUDING COST REDUCTION TO COMMUNITY

After implementing the fixed rate annual contract pricing for the propane, the community saved \$26,000.00 annually on their propane usage.