

**ALPINE MEADOWS
PROPERTY OWNERS ASSOCIATION**

**FINANCIAL REPORT OF 2017/18
BUDGET FOR 2018/19 FISCAL YEAR
AND ASSESSMENT INCREASE**

SUMMARY

- Higher Spending (Latest Forecast of \$31K vs \$20K “As Presented” Budget) in 2017/18 Fiscal Year due to a number of one-time items and needed improvements to governance of the HOA
 - Includes \$4.2K for items authorized at last year’s HOA Meeting for Reserve Pump and for HOA to consolidate the Weed Control Program
 - Also includes \$9.0K for several Board authorized items, including:
 - Addition of Director & Officer (D&O) insurance coverage
 - Cost for accounting for setting up Book-keeping system, for filing tax return (required), and filing 1099s (required)
 - One-time legal expense (\$5.5K) for developing new Bylaws, new Covenants, and for developing Rule & Regulations documents regarding Lake Use, Weed Control, and Short and Long Term Rental Policy.
 - Repair of pole fence at Western perimeter (\$1.0K)
 - Repair of UV Lighting at pump house (\$0.9K)
 - Offset by \$2.3K in lower spending required for fence maintenance and trees and ground maintenance.
- Budget for 2018/19 Fiscal Year developed with spending at \$25K, as one-time expenditures of 2017/18 do not recur, but includes higher level of ongoing costs reflecting consolidation of Weed Control Program, full year of D&O insurance, ongoing professional fees for accounting and legal, possible costs for pine beetle removal, and other factors.
- Higher budget and last year’s one time costs to be financed with Assessment increase of \$200 per lot.
 - This is expected to yield cash balance at 6/30/2019 of \$29K
 - Goal is to eventually bring ending year cash balance back to \$35K, after which a reduction can be considered.

2017/18 ACTUAL EXPENDITURES AND NET INCOME VERSUS BUDGET PRESENTED AT JULY 2017 ANNUAL MEETING

Alpine Meadows Property Owners Association

Budget	"AS PRESENTED" FY 2017/18 BUDGET <small>(presented at last year's HOA Meeting)</small>	Authorized at HOA Meeting Jul-17	Additional Authorizations by Board	Comments	Other Changes Actual vs Authorized	FINAL ACTUAL 2017/18
Cash at Beginning of Period (July 1)	34,029.15					34,029.15
Ordinary Income/Expense						
Income						
HOA Dues	23,000.00					23,000.00
Water Tap	300.00				28.56	328.56
Total Income	23,300.00					23,328.56
Expense						
Bank Fees	25.00				0.00	25.00
Insurance Expense	2,550.00				-27.53	2,522.47
D&O Expense	0.00		688.00	Partial year		688.00
Landscaping and Groundskeeping						
Lake Expense (Dr West Advisor)	0.00		150.00		0.00	150.00
Pine Beetle Expense	2,450.00				-599.08	1,850.92
Hydroseeding	420.00				-420.00	0.00
Weed Control	800.00	1,600.00		Consolidate Billing	-482.63	1,917.37
Total Landscaping and Groundskeeping	3,670.00					3,918.29
Office Supplies	325.00				-178.29	146.71
Professional Fees						
Accounting/Book-keeping	0.00		794.87	Book-keeping, Tax returns, 1099s	-37.50	757.37
Legal	250.00		5,500.00	Bylaws, Covenants, Rules & Regs	447.50	6,197.50
Subtotal Professional Fees	250.00					6,954.87
Repairs and Maintenance						
Fence Maintenance	3,000.00		1,000.00	Pole fence	-1,813.10	2,186.90
HOA Signage	500.00				-50.00	450.00
Water System Expenses						
Low Water Warning System	0.00				0.00	0.00
Reserve Pump/house repair	0.00	2,600.00	815.00	Reserve Pump; UV Light replace	-185.18	3,229.82
Water System Monthly Fees	3,075.00				-30.00	3,045.00
Total Water System Expenses	3,075.00					6,274.82
Repairs and Maintenance – HVM	0.00				0.00	0.00
Total Repairs and Maintenance	6,575.00					8,911.72
HOA Meeting Expense	100.00				-100.00	0.00
Trash	3,300.00				275.00	3,575.00
Utilities						
Electric	3,200.00				83.03	3,283.03
Total Utilities	3,200.00					3,283.03
Total Expense	19,995.00	4,200.00	8,947.87		-3,117.78	30,025.09
Net Ordinary Income	3,305.00					-6,696.53
Net Income	3,305.00	-4,200.00	-8,947.87		3,146.34	-6,696.53
Cash at End of Period (June 30)	37,334.15					27,332.62

MEMO: Estimated One-time expense 2,600.00 7,315.00

2018/19 Budget

Budget	FINAL ACTUAL 2017/18	Increase/ -Decrease	BUDGET FY 2018/19	Comments
Cash at Beginning of Period (July 1)	34,029.15		27,332.62	
Ordinary Income/Expense				
Income				
HOA Dues	23,000.00	4,400.00	27,400.00	\$200/lot Assessment Increase
Water Tap	328.56	0.00	328.56	
Total Income	23,328.56	4,400.00	27,728.56	
Expense				
Bank Fees	25.00	0.00	25.00	
Insurance Expense	2,522.47	0.00	2,522.47	
D&O Expense	688.00	688.00	1,376.00	Full year of D&O
Landscaping and Groundskeeping				
Lake Expense (Dr West Advisor)	150.00	50.00	200.00	
Pine Beetle Expense	1,850.92	880.24	2,731.16	Reserve for Tree removal
Hydroseeding	0.00	0.00	0.00	
Weed Control	1,917.37	582.63	2,500.00	Full Budget
Total Landscaping and Groundskeeping	3,918.29	1,512.87	5,431.16	
Office Supplies	146.71	178.29	325.00	
Professional Fees				
Accounting/Book-keeping	757.37	-242.25	515.12	More routine
Legal	6,197.50	-3,997.50	2,200.00	Absence of larger one time items
Subtotal Professional Fees	6,954.87	-4,239.75	2,715.12	
Repairs and Maintenance				
Fence Maintenance	2,186.90	313.10	2,500.00	More normal level/absence of one time
HOA Signage	450.00	0.00	450.00	
Water System Expenses				
Low Water Warning System	0.00	0.00	0.00	
Reserve Pump/house repair	3,229.82	-3,229.82	0.00	Absence of one-time items
Water System Monthly Fees	3,045.00	55.00	3,100.00	
Total Water System Expenses	6,274.82	-3,174.82	3,100.00	
Repairs and Maintenance - HVM	0.00	0.00	0.00	
Total Repairs and Maintenance	8,911.72	-2,861.72	6,050.00	
HOA Meeting Expense	0.00	250.00	250.00	
Trash	3,575.00	-275.00	3,300.00	Timing of billing
Utilities				
Electric	3,283.03	77.47	3,360.50	
Total Utilities	3,283.03	77.47	3,360.50	
Total Expense	30,025.09	-4,669.84	25,355.25	
Net Ordinary Income	-6,696.53	9,069.84	2,373.31	
Net Income	-6,696.53	9,069.84	2,373.31	
Cash at End of Period (June 30)	27,332.62	2,373.31	29,705.93	