

Treasurer's Report Annual Meeting 2020

The proposed income budget for 2019-2020 was \$40,330 which included \$23,520 for homeowner assessment dues, \$11,600 for Special Assessment A to replenish the reserve account, and \$5,600 to cover road repairs. All dues were collected in a timely manner, and the actual amount of income generated for last fiscal year matched the projected amount.

As approved in 2018, homeowner dues are scheduled for an automatic 5% annual increase. After implementing this increase for our current fiscal year, dues will be \$882 per lot; thus our proposed income for the 2020-2021 fiscal year is \$24,711 (\$24,696 from dues plus \$15 projected interest income).

The proposed 2019-2020 expense budget was \$25,575. Actual expenditures totaled \$30,547, primarily due to legal costs associated with attorney review of our legal documents, and to legal procedures involved with proposed amendments of the CC&Rs. Legal fees were \$5,000 over the budgeted figure for last fiscal year. We have recalculated the expense amounts in some areas for this year, noting particularly the expense for administration. At this time, our proposed expense budget for 2020-2021 is \$24,417.

While it appears the 5% annual increase in dues will be sufficient to cover projected normal expenses for the current fiscal year, it has been necessary to transfer \$2,200 from the Reserve account in order to cover expenses for August 2020. The current balance in this account is \$28,303. While the Reserve account is below the \$30,000 threshold required by the HOA, it does appear that we are able to avoid implementing another Special Assessment to replenish the account as expenses seem to be well in hand for the coming fiscal year.

Our federal tax amount was computed in September 2019 by Barbara Underhill, CPA, Park City, and was \$0 for the 2018-2019 fiscal year. The accountant is currently working on the 2019-2020 tax return, with an anticipated \$0 tax due. The accountant is presented with all the accounting for the year and reviews those expenses. The account has not been audited, but if the association would like to have an audit performed, that certainly is possible. However, an audit will cost several thousand dollars and doesn't seem to be necessary at this time.

Our checking and savings accounts are set up for online banking with Chase Bank. This not only makes it much more convenient to pay bills, it also enables us to transfer monies between accounts if necessary and gives the Board President access to know what is transpiring within the accounts.

Respectively submitted,

Carina Bachman
Secretary/Treasurer
August 23, 2020