

# Yodelin POA 2023 Budget Analysis

6/01/2023

## Income Sources in CY 2022

1. Annual assessment of cabin owners
2. Water system hookup fees

## Expenses in CY 2022

1. **Water System**
  - a. Cascade Analytic (Water testing)
  - b. Chelan Co PUD (Electricity)
  - c. WA State (Water system fees)
  - d. Misc maintenance expenses
2. **Property taxes** (Two water system lots)
3. **Insurance**
  - a. D&O (all cabin owners)
  - b. Earthquake (cabins on water system)
  - c. Plant & Equipment (cabins on water system)
4. **Snow Removal**
5. **Legal costs**
  - a. NOTE: \$26,000 special assessment in 2021 is now exhausted. \$23,614 was spent in FY 2022. \$2,425 spent YTD in CY 2023. (-\$39)

Operating expenses over the past 5 years have averaged ~\$16,000 annually, excluding special assessments and associated activities.

### **Bank Balances:**

12/31/22 - \$233,149 (includes a portion of 2022 assessments deposit)

01/31/23 - \$237,988 (Final deposit of 2022 assessments.)

05/23/23 - \$234,339 (current operating balance)

The board proposes the following annual HOA assessment for calendar year 2023.

The assessment will be billed in November 2023 and will be due by December 31, 2023.

### **PROPOSED 2023 ASSESSMENT FOR CABIN OWNERS**

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<b>Cabin Owners on the water system</b>	<b>\$ 1050</b>
<b>Cabin Owners NOT on the water system</b>	<b>\$ 725</b>

<b>PROJECTED 2023 INCOME FROM PROPOSED ASSESSMENT</b>	<u>Qty</u>	<u>Extended</u>
Number of cabins on the water system	46	\$ 48,300
Number of cabins NOT on the water system	4	\$ 2,900
Projected water systems hookups @ \$15,000/ea	1	\$ 15,000
		<b><u>Estimated 2023 Income</u></b>
		<b><u>\$ 66,200</u></b>

#### **BUDGETED EXPENSES**

Insurance		\$ (6,000)
Property Taxes		\$ (85)
Utilities (\$330 YTD, 20% ahead of 2022 YTD)		\$ (700)
General administrative		\$ (500)
<sup>1</sup> Water system management		\$ (5,000)
<sup>2</sup> Water system maintenance projects		\$ (5,000)
Snow removal equipment capital purchase		\$ (110,000)
<sup>4</sup> Annual snow removal operations		\$ (20,000)
<sup>5</sup> Legal fees (\$2425 YTD)		\$ (5,000)
<sup>6</sup> Reserve study		\$ (3,000)
		<b><u>Projected 2023 Expenses</u></b>
		<b><u>\$ (155,285)</u></b>

<sup>1</sup> New monthly expenses beginning in 2023 for the water system manager.

<sup>2</sup> Water system projects: Pressure relief valve rebuild & leak fix; PH system maintenance; Reservoir cleaning; Replace oldest shutoffs.

<sup>3</sup> Summary of snow removal expenses: Snow removal equipment operations, maintenance, operator wages, and insurance; fund 1/10 of purchase price for equipment replacement in 10 years.

<sup>4</sup> Legal fees to defend association and covenants.

<sup>5</sup> Washington State requires the Association to conduct a Reserve Study analysis to determine funding available for maintenance and replacement of Association fixed assets (water system) and common areas. The cost for the reserve study is estimated at \$3,000. Until the study is completed, the amount needed in the Association's reserve is unknown. Primary funding sources are the water hookup fees and the annual assessment for cabins on the water system.

#### **ASSETS & INCOME**

Bank balance as of 1/31/2023		\$ 237,988
Projected income		\$ 66,200
Projected expenses CYE 2023		(155,285)
		<b><u>Projected bank balance at CYE 2023</u></b>
		<b><u>\$ 148,903</u></b>