

Quiet Water Homeowners Association
Proposed Consolidated Budget 2023-24

Line #	Account #	Account Name	Budget
Income			
1	4.0.000	General Beginning Balance	0.00
2	4.0.100	General Reserve Carry Over	55,065.00
3	4.1.000	LCA I Beginning Balance	23,370.00
4	4.2.000	LCA II Beginning Balance	24,820.00
5	4.3.000	LCA III+ Beginning Balance	5,537.00
6	4.3.010	LCA III+ Carport Carryover	3,178.00
7	4.4.000	LCA IV Beginning Balance	8,131.00
8	4.6.000	Riparian Beginning Balance	2,865.00
9	*	Total Carry-Over	\$122,966.00
10	4.0.101	Transfer from General Fund to Reserve	6,675.00
12	4.6.001	Transfer from General Reserve to Riparian	2,000.00
13		Total Inter-Fund Transfers	\$8,675.00
14	4.0.001	Donations	240.00
15	4.0.002	Interest Income	750.00
16	4.0.003	Late Fees	200.00
17	4.0.004	General Operating Assessments	61,680.00
18	4.0.005	Pool Use Surcharge	5,525.00
19	4.0.007	Rebates and Returns	0.00
21	4.0.103	Kayak Rack Rental	500.00
22	4.1.001	LCA I Assessment	6,000.00
23	4.2.001	LCA II Assessment	4,300.00
24	4.3.001	LCA III Assessment w/o carport	200.00
25	4.3.011	LCA III Assessment w/carport	1,200.00
26	4.4.001	LCA IV Assessment	1,836.00
27		Total Current Income	\$82,431.00
28		Total Carry-Over + Income	\$205,397.00
Expenses			
29	5.1.501	Pool/Spa Electricity	1,900.00
30	5.1.502	Pool/Spa License	790.00
31	5.1.503	Pool/Spa Liquid Petroleum	1,750.00
32	5.1.504	Pool/Spa Water and Sewer	1,700.00
33	5.1.505	Pool/Spa Telephone	150.00
34	5.1.506	Pool/Spa Supplies	1,300.00
35	5.1.507	Pool/Spa Maintenance/Training	1,500.00
36	5.1.508	Pool/Spa Contract	4,000.00
37	5.1.510	Tennis Court & Basketball Maintenance	100.00
38		Recreational Area Operations	\$13,190.00
39	5.1.000	Contingency	340.00
40	5.3.002	Property & Liability Insurance	2,500.00
41	5.3.003	Annual Meeting Expense	200.00
42	5.3.005	Dues, Fees, and Subscriptions	100.00

*Carry-Over Amounts will be affected by end of year balances as of May 31, 2023

Line #	Account #	Account Name	Budget
43	5.3.006	Director's Expense	0.00
44	5.3.007	Bookkeeping Services	5,400.00
45	5.3.008	Management Contract	9,600.00
46	5.3.009	Professional Services	200.00
47	5.3.010	Federal Income Taxes	40.00
48	5.3.041	Transfer to General Reserve	6,675.00
49		Administrative Expenses	\$25,055.00
50	5.2.001	Copy and Duplication	150.00
51	5.2.002	Postage	350.00
52	5.2.003	Office Supplies	250.00
53	5.2.005	Software and Maintenance	250.00
55		Office Expense	\$1,000.00
56	5.1.001	General Work for Credit	500.00
57	5.1.002	Equipment Maintenance	500.00
58	5.1.003	Equipment Replacement	400.00
59	5.1.004	Garbage Disposal	11,000.00
60	5.1.005	General Fuel and Oil	200.00
61	5.1.006	Grounds Supplies and Rentals	600.00
62	5.1.007	Storm damage tree removal	1,000.00
63	5.1.008	Small Equipment Purchase	400.00
64	5.1.009	Grounds Maintenance Contract	13,700.00
65	5.1.010	Recycling Management	550.00
66	5.1.011	Landscaping General	300.00
67		Common Area Operations	\$29,150.00
68	5.6.000	Restoration Permitting	200.00
69	5.6.001	Plants and Trees	500.00
70	5.6.002	Materials and Supplies	500.00
71	5.6.003	Mileage	0.00
72	5.6.004	Riparian Wages/Work Credit	1,000.00
76		Riparian Area Operations	\$2,200.00
77	5.1.101	LCA 1 Electricity	450.00
78	5.1.102	LCA I Maintenance	300.00
79	5.1.104	LCA I Repair/Replace	500.00
80	5.1.201	LCA II Electricity	350.00
81	5.1.202	LCA II Maintenance	800.00
82	5.1.204	LCA II Repair/Replace	19,000.00
83	5.1.301	LCA III Electricity	350.00
84	5.1.302	LCA III Maintenance	0.00
85	5.1.303	LCA III Paving	0.00
86	5.1.304	LCA III+ Carport Expense	5,500.00
87	5.1.401	LCA IV Electricity	80.00
88	5.1.402	LCA IV Maintenance	100.00
89	5.1.404	LCA IV Repair/Replace	0.00
90		Total LCA Expenses	\$27,430.00

Line #	Account #	Account Name	Budget
91	5.1.509	Pool/Spa Major Repair/Replace	2,000.00
92	5.1.511	Tennis Court Major Rep/Replace	500.00
93	5.1.512	Major Grounds Equipment	0.00
94	5.1.513	Transfer Out from General Reserve	0.00
95	5.1.514	River Path Repair	1,000.00
96	5.1.515	Transfer to Riparian Restoration	2,000.00
97		Total Reserve Transfers + Expenses	\$5,500.00
98		Total Expenses	\$103,525.00
		Carry-Over + Income - Expenses	101,872.00

Summary of Budget by Fund

23-24 Budget	*Beginning			*Ending
	Balance	Income	Expenses	Balance
Consolidated	\$122,966	\$82,431	\$103,525	\$101,872
General Fund	0	68,395	68,395	0
General Reserves	55,065	7,175	5,500	56,740
LCA 1	23,370	6,000	1,250	28,120
LCA 2	24,820	4,300	20,150	8,970
LCA 3	8,715	1,400	5,850	4,265
LCA 4	8,131	1,836	180	9,787
Riparian	2,865	2,000	2,200	2,665
Checksum	\$122,966	\$82,431	\$103,525	\$101,872

*Beginning and Ending Balances will be affected by End of Year Balances from fiscal year 22-23 ending May 31, 2023

Budgeting Processes

It is the Board's responsibility to develop a budget for the HOA each year using the following criteria to ensure adequate income to cover all estimated expenses and a reasonable amount in reserves to cover maintenance of common assets. It is always our goal to keep assessments as low as possible while maintaining the ability of the HOA to meet its financial obligations.

- The budgeting process begins in April when we look at actual year to date expenses for all line items and project an end of year balance in all funds based on recurring charges for May.
- Then we look at the current year budget to see any areas where there were over-runs or under expenditures.
- We negotiate contracts for the coming year with independent contractors
- We rely on the annual Reserve Study required by state ordinance for:
 - Recommended repairs of common assets
 - Recommended reserves needed to cover the cost of maintenance for every common asset over the expected life of the asset and based on current construction costs
 - Recommended General and LCA assessments for the current year to achieve the necessary reserve balances

A budget is just a plan and is always a moving target because the unexpected is always a possibility. But Quiet Water's budget is also the Board's "authorization to spend" when passed by a vote of the membership. The General Operating Fund budget must be balanced – projected income must equal projected expenses. At the close of the year when all transactions are complete, any remaining money in the General Operating Fund is transferred to the General Reserve Fund. But using the General Reserve Fund to bail out the General Operating Fund is counterproductive and not sustainable.

Summary of Changes

- General Assessments will rise to \$240/quarter for developed property and \$120 for an empty lot
 - In FY 13-14 assessments were raised from \$195/quarter to \$210/quarter
 - In FY 16-17 assessments were LOWERED from \$210/quarter to \$200/quarter
 - In FY 19-20 assessments were raised from \$200/quarter to \$220/quarter

As a point of reference, the Board of Labor and Statistics reports that the Consumer Price Index (CPI) has risen more than 75% so that \$195 in 2012 has the same buying power as \$257 in 2023.

- LCA 1 and LCA 4 assessments will remain the same at \$150 per quarter
 - LCA 2 assessments will rise from \$130 to \$150 per quarter. This was necessary because of the need to replace the roofs on the two carports at a time when roofing costs have almost doubled. After the roofing, the LCA 2 reserve will gradually recover.
 - LCA 3 assessments for those with a carport will remain the same at \$150, but the assessment for those without a carport will rise to \$50 per quarter. For a number of years those without a carport had reduced assessments to correct an imbalance from 15 or more years ago. That imbalance has now been corrected and assessments have been adjusted to reflect the true cost of maintaining the reserve for LCA 3. The carport roof will be replaced this summer.
- A seasonal pool surcharge was added to the General Operating Budget in an effort to keep the General Assessment lower than the \$250 per quarter recommended by the Reserve Study. The General Reserve will continue to pay for maintenance and equipment replacement for the pool, but we are requiring more from rental properties and members who use the pool. The seasonal operating cost for the pool last season including training, and pool opening and shutdown was \$10,370, but we took the operational cost of the pool for the ten weeks that it was open last season (\$5,567) and divided among vacation rentals and other member uses according to an annual fee following a sliding scale:
 - \$350 for 9 vacation rentals (those licensed by the City of Yachats)
 - \$250 for other members who use the pool once a week or more
 - \$150 for members who use the pool only occasionally

The latter two categories will have to be on the honor system, but the estimates are based on the sign-in sheets last season.