

Anna Court HOA - Finance Committee  
2021 Budget and HOA Fee Recommendations

## 2020 Income Statement and Cash Position

	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	YTD
	20-Jan	20-Feb	20-Mar	20-Apr	20-May	20-Jun	20-Jul	20-Aug	20-Sep	20-Oct	20-Nov	20-Dec	20-Dec	
<b>Income</b>														
Rick Bates	\$ 120	\$ 120	\$ 120	\$ 120	\$ 120	\$ 132	\$ 132	\$ 132	\$ 132	\$ 264		\$ 132	\$ 1,524	
Meggs	\$ 360			\$ 360			\$ 408			\$ 396			\$ 1,524	
Flatiron/Rhodes					\$ 1,200	\$ 120	\$ 516			\$ 264			\$ 2,100	
Jaqua	\$ 120		\$ 120	\$ 120	\$ 120		\$ 396	\$ 120	\$ 132	\$ 132	\$ 132	\$ 132	\$ 1,524	
Hancock/Peterson					\$ 1,080		\$ 408					\$ 396	\$ 1,884	
Tollisma									\$ 528				\$ 528	
													\$ -	
<b>Total Income</b>	<b>\$ 600</b>	<b>\$ 120</b>	<b>\$ 240</b>	<b>\$ 600</b>	<b>\$ 2,520</b>	<b>\$ 252</b>	<b>\$ 1,860</b>	<b>\$ 252</b>	<b>\$ 792</b>	<b>\$ 1,056</b>	<b>\$ 132</b>	<b>\$ 660</b>	<b>\$ 9,084</b>	
	<i>*Hancock/Peterson Q4 2019 was paid in 2020; *Flatiron had 2019 dues paid in 2020</i>													
<b>Expense</b>														
Bank Fees	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 60
Garbage Expense	\$ 103			\$ 103	\$ 313	\$ 103	\$ 110	\$ 103	\$ 103	\$ 122	\$ 124	\$ 128	\$ 1,313	
Lawn/Mowing Expense					\$ 1,420	\$ 649	\$ 1,932	\$ 2,028	\$ 286	\$ 142			\$ 6,458	
Legal/Audit Fees	\$ 277						\$ 132			\$ 371			\$ 780	
Snow Plowing Expense	\$ 178		\$ 314	\$ 314									\$ 805	
Water/Irrigation Expense					\$ 66		\$ 1,903	\$ 883	\$ 1,125	\$ 747			\$ 4,724	
<b>Total Expense</b>	<b>\$ 563</b>	<b>\$ 5</b>	<b>\$ 319</b>	<b>\$ 422</b>	<b>\$ 1,804</b>	<b>\$ 757</b>	<b>\$ 4,083</b>	<b>\$ 3,020</b>	<b>\$ 1,520</b>	<b>\$ 1,387</b>	<b>\$ 129</b>	<b>\$ 133</b>	<b>\$ 14,139</b>	
<b>Net Income</b>	<b>\$ 37</b>	<b>\$ 115</b>	<b>\$ (79)</b>	<b>\$ 178</b>	<b>\$ 716</b>	<b>\$ (505)</b>	<b>\$ (2,223)</b>	<b>\$ (2,768)</b>	<b>\$ (728)</b>	<b>\$ (331)</b>	<b>\$ 3</b>	<b>\$ 527</b>	<b>\$ (5,055)</b>	
Non Paid Mowing								\$ 2,028	\$ 286					
Non Paid Irrigation								\$ 883	\$ 1,125	\$ 747				
Past Due Mowing Paid												\$ (1,233)		
Past Due Irrigation Paid														
<b>Cash Balance BS</b>	<b>\$ 1,847</b>	<b>\$ 1,962</b>	<b>\$ 1,884</b>	<b>\$ 2,062</b>	<b>\$ 2,778</b>	<b>\$ 2,273</b>	<b>\$ 50</b>	<b>\$ 194</b>	<b>\$ 877</b>	<b>\$ 1,293</b>	<b>\$ 1,297</b>	<b>\$ 591</b>		
	<i>*Total Unpaid 2020 bills \$3,837</i>													

## 2021 Expense Budget Overview:

Expense Type	Annual Amount	Additional Info.
Snow Plowing	\$862	Estimate
Irrigation Water	\$8,699	Based on 2020 usage + (3) new lawns expected in 2021 + full year of Tolsma's yard.
Lawn Care	\$8,108	Based on 2020 usage and (3) new lawns expected in 2021. (22) Lawn mowings @ \$25/yard additional.
Garbage	\$2,239	Current rates
Bank Fees	\$60	
Legal	\$132	Annual Filing – Recording Minutes
Capital Reserve	\$2,010	*Explained below
<b>Total</b>	\$22,110	

## HOA Fees

### 2020 Fee Shortage

There was a shortage total of \$3,837, in 2020 for irrigation expenses and mowing expenses. These bills were paid in 2021 when funds became available.

Discussion around these expenses and how to handle them.

### Establishment of a Capital Reserve

The finance committee is recommending that we establish a capital reserve.

This capital reserve will allow the HOA to accumulate funds for unexpected expenses. It is recommended to be 10% for the year 2021. This percentage and the balance of the capital reserves will be reviewed and adjusted annually.

HOA Fees for 2021 (Option 1) All Current HOA Services

Below is a calculation based on Lot Size equivalent. These fees also assume **12 months at this same rate** and the expense budget above. There would need to be some retroactive billing for the first 4 months.

<b>Lot</b>	<b>Size</b>	<b>Owner</b>	<b>HOA Fee</b>
55A	0.275	Bates	\$114
55B	0.223	Rhodes	\$93
56	0.440	Meggs	\$207
57	0.500	Hancock	\$207
58	0.426	Heitsman	\$207
68	0.843	Jaqua	\$393
67	0.436	Tolsma	\$207
66	0.488	Sheets	\$207
65	0.524	Batie	\$207

## HOA Fees for 2021 (Option 2) Removing Irrigation from the HOA Services

We remove the irrigation water usage from the HOA Fees and the homeowners pay that individually.

This would require a one-time investment of \$750-\$1,000/lot owner for the installation of an irrigation meter. This was quoted from the vendor completing Sheet's irrigation. Should pursue additional bids.

If HOA chooses this option Hart Ranch Development would require future lots to do the same via an increase in the Water Hook-up fee and providing them with the irrigation meter.

HOA Fees under this assumption would be:

<b>Lot</b>	<b>Size</b>	<b>Owner</b>	<b>HOA Fee</b>
55A	0.275	Bates	\$65
55B	0.223	Rhodes	\$53
56	0.440	Meggs	\$117
57	0.500	Hancock	\$117
58	0.426	Heitsman	\$117
68	0.843	Jaqua	\$223
67	0.436	Tolsma	\$117
66	0.488	Sheets	\$117
65	0.524	Batie	\$117