

Treasurer's Report

2020 was an interesting year to say the least. On the positive side, we had excellent collection of annual dues and were able to clear some long-term unpaid dues, and we now use a professional accounting system. On the negative side, however, we had some substantial previous-year costs hit us in 2020 (fortunately we had good cash reserves with which to pay them), as well as some substantial cost increases, particularly in terms of common area mowing. Nevertheless, with careful control of spending, we were able to end the year with virtually the same cash reserves as we started. Looking forward, 2021 has started with some substantial unpaid dues collections, and we expect more aggressive collection efforts to help with our continuing outstanding dues.

Extensive notes are included with the budget below to help explain our basis for 2021. We are budgeting as tightly as possible with the exception of some additional necessary landscaping and the costs associated with collections; this additional collection cost should, however, more than pay for itself. *As a result, we are going to keep our annual dues at \$150.00 per household for 2021.*

2020-2021 Budget/Reconciliation	2020 Budget	2020 Actual	2021 Budget	Notes
Utilities				
Electric (Street Lights)	\$9,000.00	\$8,370.75	\$8,100.00	(1)
Water (Sprinklers)	\$1,200.00	\$894.67	\$100.00	(2)
	\$10,200.00	\$9,265.42	\$8,200.00	
Common Area Expenses				
Lawn Mowing	\$4,800.00	\$7,615.00	\$8,480.00	(3)
Tree Maintenance	\$500.00	\$0.00	\$200.00	(4)
Landscaping & Erosion Control	\$500.00	\$0.00	\$0.00	(5)
Entrance Maintenance & Improvements	\$500.00	\$344.16	\$1,000.00	(5)
Cul-De-Sac Maintenance	\$0.00	\$529.80	\$650.00	(6)
	\$6,300.00	\$8,488.96	\$10,330.00	
Event Expenses				
Annual Meeting	\$35.00	\$263.24	\$0.00	(7)
Annual Picnic	\$500.00	\$0.00	\$0.00	
	\$535.00	\$263.24	\$0.00	
Corporate & Administrative Expenses				
Legal Fees	\$125.00	\$550.00	\$1,000.00	(8)
Insurance	\$1,700.00	\$1,831.00	\$1,900.00	(9)
Corporation Fees	\$20.00	\$135.00	\$0.00	(10)
Professional Fees	\$350.00	\$0.00	\$400.00	(11)
Postage	\$300.00	\$153.20	\$300.00	(12)
Office Expenses	\$0.00	\$467.62	\$500.00	
Website Expense	\$100.00	\$88.67	\$0.00	(13)
Directory	\$0.00	\$0.00	\$100.00	(14)
Miscellaneous Administrative Expenses	\$0.00	\$20.84	\$50.00	(15)
	\$2,595.00	\$3,246.33	\$4,250.00	
	\$19,630.00	\$21,263.95	\$22,780.00	

Notes:

- (1) Street lighting cost has risen this year but had previously been overbudgeted. However, 2020 expense was inflated due to paying December 2019 bill in 2020. Budget is based on actual 2020 monthly cost.
- (2) Sprinkler cost has been, and is expected to be, negligible; it was dramatically overbudgeted for 2020. However, 2020 cost was significant due to prior bill paid in 2020. Absent this, actual cost was under \$100.
- (3) Lawn mowing expense has jumped considerably. 2020 expense included \$1000 of expense incurred in 2019; however, 2020 mowing didn't commence until May which artificially lowered the cost for the balance of the year despite actual monthly cost being higher. 2021 budget is based on mowing contract and eight full months of mowing. Part of increase is due to higher frequency of mowing the picnic area at the request of residents and expansion of area mowed at main entrance.
- (4) Current plans are to replace two trees on the White/White cul-de-sac; no other landscaping is planned for 2021. Maintenance of the White/White cul-de-sac has been moved to a new account.
- (5) Extra is budgeted this year for the front entrance this year for tree trimming and planting.
- (6) This new account includes all cul-de-sac maintenance. \$500 is budgeted for the White/White cul-de-sac and \$50 each for the other three (Winema, Rogue River Ct, & Los Padres).
- (7) 2020 Annual Meeting expense included all related costs, not just rental; original budget was not realistic. Also, 2019 expense was paid in 2020. For 2021, annual meeting will not take place at Shenandoah so no cost is allocated; picnic expense did not occur in 2020 and will likely be offset by sponsorship in 2021 if it takes place.
- (8) 100% of legal fees in 2020 were actually 2019 expenses not billed until 2020. However, with greater collection activity planned for 2021 and beyond, budget has increased accordingly. Most of this additional expense should eventually be offset by collections which will include reimbursement of these expenses.
- (9) Liability and D&O insurance cost increased in 2020 and budget reflects this along with likely small subsequent increases.
- (10) Corporate fees for 2020 included previous years fees paid in 2020. Fees are biennial and therefore no expense expected in 2021.
- (11) Accounting and tax filing is now handled in-house and therefore no future accounting expense is anticipated. However, a boundary survey was required for a common area so this cost is included in this category.
- (12) Postage and office expense were formerly combined; they are now reported separately. Higher expenses are budgeted in both due to greater collection activity and higher newsletter cost. This expense is expected to drop in subsequent years.
- (13) Website expense was prepaid for multiple years in 2020 so no expense in 2021 is projected.
- (14) Directory expense is biennial and therefore projected for 2021.
- (15) Miscellaneous includes small amounts not assignable to other categories.

Revenue Summary

Current Year Dues	\$17,850.00
Previous Year Dues	\$2,670.00
Legal Fees Reimbursement	\$584.44
Bank Interest	\$9.00
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	\$21,113.44

Accounts Receivable Summary

Starting Balance (Late Dues)	\$8,610.00
2020 Dues	\$19,500.00
2020 Dues Collected	\$(17,850.00)
Previous Dues Collected	\$(2,670.00)
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Ending Balance	\$7,590.00

Cash Reconciliation

Starting Cash	\$7,403.13
Receipts	\$21,113.44
Disbursements	\$(21,263.95)
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Ending Cash	\$7,252.62