
East Bluff Homeowners Association

— 2024 Proposed Budget and
Siding Project —

Agenda

2023/24 and 2024/25 Budget Expense Comparison

Budget Comparison - Total Cost Savings

2023/24 and 2024/25 Budget Income Comparison

Siding Project Overview

- Proposals
- Project Details
- Project Financing
- 2024/25 Budget with Siding Costs Included

2023/24 and 2024/25 Budget Income Comparison

Why Siding Now

Q&A's

2023/24 and 2024/25 Budget Expense Comparison : Administrative

	2023/24 Budget	2024/25 Proposal	Budgeted Difference	Notes
1010 Telephone and Internet	\$2,000	\$2,000	\$0	
1130 Legal & Professional	\$1,000	\$4,700	\$3,700	2024 - Combine with Accounting
1040 Office Equipment & Supplies, Staff Supplies	\$3,000	\$2,000	-\$1,000	Rarely any printing, new hard drive 2023
1100 Bank Deposit Fees	\$700	\$0	-\$700	Switching Banks
1110 Accounting & Audit	\$3,700	\$0	-\$3,700	Combined with Legal & Professional
1140 Court Fees	\$200	\$0	-\$200	Remove - Charged to Owner
1191 Homeowner Reimbursements	\$500	\$0	-\$500	Remove - Should not be an expense - Part of Maintenance
1170 Employee Job Related (SHIRTS, MASKS, TRAINING ETC.)	\$2,000	\$0	-\$2,000	Remove and combine maintenance supplies
1090 Community Development	\$500	\$0	-\$500	Combine with Employee Job Related
Total Admin	\$13,600	\$8,700	-\$4,900	

2023/24 and 2024/25 Budget Expense Comparison : Utilities

	2023/24 Budget	2024/25 Proposal	Budgeted Difference	Notes
2010 Natural Gas & Electric	\$6,000	\$6,000	\$0	
2030 Water & Sewer	\$80,000	\$85,000	\$5,000	Increased Rates
2040 Refuse Collection	\$1,000	\$500	-\$500	If needed, charge owner
Total Utilities	\$87,000	\$91,500	\$4,500	

2023/24 and 2024/25 Budget Expense Comparison : Payroll

	2023/24 Budget	2024/25 Proposal	Budgeted Difference	Notes
Property Manager	\$65,000	\$52,800	(\$12,200.00)	
Bookkeeper 6-Months	\$13,000	-	(\$13,000.00)	
Groundskeeper (Oscar)	\$41,600	\$49,937.94	\$8,337.94	2023/24 Increase from overtime to Salary. 2024/25: 3% Raise + \$500 Christmas Bonus
Groundskeeper (PT 2024)	\$36,720	\$15,000	(\$21,720.00)	No FT but cost to cover additional help when needed
Payroll and Income Tax	\$7,041	\$5,000	(\$2,041.00)	
Overtime	\$5,000	-	(\$5,000.00)	
Medical Stipend	\$4,800	\$2,400	(\$2,400.00)	Was budgeted for 2 people
Payroll Total	\$173,161	\$125,138	(\$48,023)	

2023/24 and 2024/25 Budget Expense Comparison : Maintenance

	2023/24 Budget	2024/25 Proposal	Budgeted Difference	Notes
4010 Hardware Supplies	\$7,500	\$7,875		
4020 Gas & Oil	\$3,500	\$3,675	\$175	
4190 Pest Control	\$2,000	\$2,100	\$100	\$1,500 annual service fees
Exterior Siding - Labor for ongoing repairs	\$20,000	-	(\$20,000)	No Need - Will be using a loan. Combine for one new item "Siding Loan Annual Cost "
Exterior Siding - cherry picker	\$7,000	-	(\$7,000)	
Exterior Building Material fencing	\$10,000	\$5,000	(\$5,000)	
4050 Paint & Materials general repairs	\$3,000	\$3,150	\$150	
4070 Plumbing	\$5,000	\$5,250	\$250	
4200 Electrical Repair	\$3,500	\$3,675	\$175	
Concrete	\$1,500	\$1,575	\$75	
4321 Towing for work vehicles	\$200	\$210	\$10	
4260 Security Cameras	-	-	-	Remove

2023/24 and 2024/25 Budget Expense Comparison : Maintenance

	2023/24 Budget	2024/25 Proposal	Budgeted Difference	Notes
4240 Grounds Supplies & Repair	\$2,500	\$2,625	\$125	Combine - total budget \$9,975
4130 Grass/Dirt/Seed Straw	\$3,000	\$3,150	\$150	
4140 Mulch	\$1,000	\$1,050	\$50	
4150 Retaining Wall Blocks and Supplies	\$2,000	\$2,100	\$100	
4160 Plants & Trees	\$1,000	\$1,050	\$50	
4170 Tree Trimming and Removal	\$11,000	\$11,550	\$550	
4180 Friske mowing and fall cleanup	\$20,000	-	(\$20,000)	Oscar
4180 Tru Green	\$10,000	\$3,149	(\$6,851)	Seeding and Ash Tree treatment done in 2023
Parking Lot Repair (paid from reserve fund)	-	-	-	Remove
Parking Lot Repair (paid from reserve fund)	-	-	-	Remove
Water Main Repair (paid from reserve fund)	-	-	-	Remove
Equipment Purchase & Repair	\$12,000	\$6,000	(\$6,000)	*Repair only - no new purchase
Total Maintenance	\$125,700	\$63,184	(\$62,516)	

Budget Comparison: Total Savings

	2023/24 Approved	2024/25 Proposed	Difference
Administrative	\$13,600	\$8,700	-\$4,900
Utilities	\$87,000	\$91,500	\$4,500
Payroll	173,161	125,138	-\$48,023
Maintenance	\$125,700	\$63,184	-\$62,516
Total			-\$110,939

Comparison does not include Reserve Fund Contributions
This number will decrease annually due to inflation

Siding Proposals

Company	Cost Per Building	Notes
Arrow Exterior and Design	\$38,300	Does not include Soffit and Fascia
Prairie Exteriors	\$80,000+	Does not include Soffit and Fascia
Hometown Xteriors	\$43,000	Includes Soffit and Fascia. BOD negotiated 15% savings
Heins	\$43,000	Included Soffit and Fascia, company not willing to negotiate and concerns over warranty/vendors

Management solicited four bids

BOD and Management interviewed top two

BOD negotiated costs and selected final contractor based on price, flexibility and quality of service

Project Details

- Vinyl siding to go over existing siding
 - Providing an additional layer of insulation
 - Long-term energy savings for each owner
- Why Vinyl - Maintenance:
 - Maintenance is always the highest cost of any project
 - Power washing every few years compared to painting, sealing, and patching
- Double warranty
 - Installation warranty from Hometown Xteriors and product warranty from supplier
- Timeline: Project to begin in late February or early March
 - Estimated 1-2 weeks per building

Total Project Cost Estimate: \$946,000

- Estimate because there may be unforeseen damages
 - Cost of \$55 per panel to be replaced. Not anticipated to have too many issues
- Includes all 22-Buildings, does not include office. This is not a priority at the moment.

Project Financing

Total Project Cost (minus repair if needed): \$946,000

Account Balances			
	As of 1/10/24	Proposed	Notes
Checking	\$109,030	\$50,000	Low interest in checking account. Better to invest in high yield reserve or downpayment on 7% loan
Gen Reserve	\$86,850	\$100,000	Invest in general reserve
Electric	\$18,049	\$0	Have two existing panels so no urgent need for these funds.
Parking lot	\$56,152	\$56,148	Maintain
Roof	\$61,445	\$61,436	Maintain
Water Main	\$72,545	\$50,000	Reduce to provide funds for 3 water main breaks (less than annual average)
Reserve II	\$20,000	-	
Total Funds Available	\$424,071	\$317,584	Association is saving money on a monthly bases due to budget cuts. Additional funds available to be invested in project or reserve funds.
Difference	\$106,487		

2024/25 Budget - Siding

Downpayment: \$75,000

Loan: \$867,000 at 7% interest over 10-years

Annual Cost: \$122,000

	2023/24 Budget	2024/25 Proposal
Total Admin	\$13,600	\$8,700
Total Utilities	\$87,000	\$91,500
Payroll Total	\$173,161	\$125,138
Total Maintenance	\$125,700	\$63,184
Loan Annual Cost	-	\$122,000
TOTAL EXPENSES	\$399,461	\$410,522

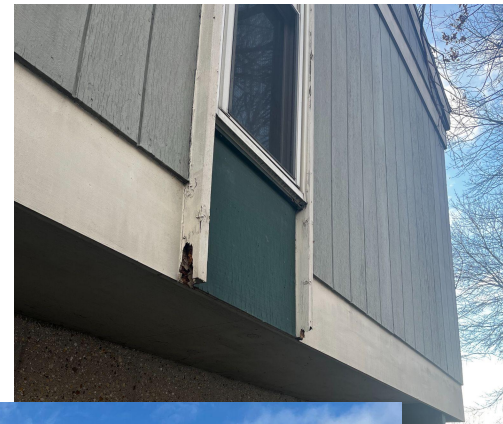
Difference between 2023 Budget and 2024 Proposed with loan for siding - \$11,061

2023/24 and 2024/25 Budget Income Comparison

	2023/24 Budget	2024/25 Budget 12% Fee Increase	2024/25 Budget 4% increase with AVG \$150 Special Assessment
Monthly Condo Fees	\$ 399,686	\$ 459,360	\$ 425,568
Revenue Sharing (1-time signing bonus)	-	\$17,000	\$17,000
Special Assessment	-	-	\$26,400
Carryover	\$60,000	-	-
TOTAL INCOME	\$459,686	\$476,360	\$468,968
Total Income	\$459,686	\$476,360	468,968
TOTAL EXPENSES	\$399,461	410,522	410,522
Reserve Transfer	\$60,000	47,636	44,257
TOTAL EXPENSE + RESERVE	\$459,461	453,158	449,779
Net (Income - Expenses)	\$225	23,202	19,189

- Budget increase to account for \$11,061 shortfall and Reserve Contribution
- Two options: Flat increase in monthly dues or smaller increase with SA
- Revenue Sharing Opportunity
- Reserve Contribution different because no SA funds would be allocated
- Net to be added to reserve or used for additional CapEx project based on need

Why is this Necessary



Comments/Questions