
Adopted Budget

Nine Mile Ranch HOA



PO Box 332
 Oroville, WA 98844
 9mileranchhoa.org

**ADOPTED BUDGET FOR FISCAL YEAR
 JUNE 1, 2019 THROUGH MAY 31, 2020**

Gross Income (with 10% raise to \$193.60 per lot)	\$ 58,661
Uncollected (4% average)	<u>(2,347)</u>
Net Income	\$ 56,314

Expenses

Bank Fees	\$ 75
Quick Books Fee	321
Web site fees	140
Office supplies	300
Postage	700
Corporate License	10
Meeting Expense	280
Liability Insurance	1,189
Lien Fees	700
Attorney Fees	1,000
Audit	2,700
Reserve Study	1,200
Reserve Fund Deposit	3,000
Road Maintenance	17,199 **
Snow Plowing	15,000
Weed Spray	11,000
Tree Felling	<u>1,500</u>
Total Expenses	\$ 56,314
Net Income	- 0 -

** The \$17,199 figure for the category is not an expression that the amount is adequate to satisfy road maintenance needs, but rather that it is the limit within the current assessment income.



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**REVISED/ADOPTED BUDGET FOR FISCAL YEAR
JUNE 1, 2019 THROUGH MAY 31, 2020**

Assessment Income	\$ 58,661
Special Assessment	45,600
Uncollected (4% average)	<u>(4,171)</u>
Net Income	\$100,090
<u>Expenses</u>	
Bank Fees	\$ 25
Quick Books Fee	321
Web site fees	140
Office supplies	300
Postage	700
Corporate License	10
Meeting Expense	280
Liability Insurance	1,287
Lien Fees	700
Attorney Fees	1,000
Audit	2,700
Reserve Study	1,200
Reserve Fund Deposit	3,000
Road Maintenance	41,507
Snow Plowing	15,000
Weed Spray	11,000
Tree Felling	1,500
Rake & Accessories	19,160
Rake Maintenance	<u>260</u>
Total Expenses	\$100,090
Net Income	- 0 -

Adopted at the August 31, 2019 Special Meeting



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Adopted Budget for
June 1, 2020 through May 31, 2021

Income: Annual Assessments	\$ 58,854
Uncollected	<u>(2,354)</u>
Net Income	\$ 56,500

Expenses

Bank Fees	\$ 90
Quick Books Fee	350
Web site fees	600
Office supplies/mailings/postage	2,200
Corporate License	10
PO Box Fee	56
Liability Insurance	1,235
Lien Fees	311
Attorney Fees/Legal Expense	2,200
Audit	2,700
Reserve Fund Savings	3,000
Road Maintenance	16,248**
Snow Plowing/sanding	15,000
Weed Spray	11,000
Tree Felling	<u>1,500</u>
Total Expenses	\$ 56,500
Net Income	- 0 -

** This figure shown is simply the cash left after accounting for all other expenses.

Note that the special assessment income and expenses are not included in this budget. Income is strictly based on collection of the annual assessments. Per agreement, all collections of the special assessment will be spent on gravel for the roads, after purchase of road rake. Please see our HOA website (9mileranchhoa.org) for current monthly financials,



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Adopted Budget for
June 1, 2021 through May 31, 2022

Adopted at the April 6, 2021 Board of Directors Meeting

	<u>Balanced</u>	<u>Relative to Obligations</u>
Income: Annual Assessments	\$ 65,178	\$65,178
Less estimated uncollected	<u>- 2,607</u>	<u>- 2,607</u>
Net Income	\$ 62,571	\$62,571
 <u>Expenses</u>		
Bank fees	\$ 35	35
Quick Books fee	350	350
Website fees	607	607
Office supplies/Postage	2,200	2,200
Corporate license	10	10
PO Box fee	56	56
Liability insurance	1,328	1,328
Lien fees	532	532
Attorney fees/Legal Expense	4,000	4,000
Financial Audit	2,700	2,700
Reserve Fund Savings	3,000	3,000
 Road Maintenance	 16,381*	 32,303**
Snow Plowing/Sanding	20,372	20,372
Weed Spray	<u>11,000</u>	<u>11,000</u>
Budgeted Costs	\$ 62,571	\$78,493
 Net Income	 -0-	 - \$15,922

Income is based on 306 Lots (311 total Lots minus 5 belonging to Mr. Barnett/Developer) at \$213.00 per Lot.
 Snow plowing/sanding is based on yearly averages.

* This figures is simply the cash left after accounting for all other expenses.

** This figure includes Road Committees analysis of needed yearly road maintenance.



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Adopted Budget for
June 1, 2022 through May 31, 2023

Adopted by the Board of Directors April 7, 2022

	<u>Balanced</u>
Income: Annual Assessments (\$270.68 X 310 Lots)	\$ 83,911
Income: Road Maintenance Fund Item (2021 Voting Ballot Item #3)	4,960
Less estimated uncollected (4%)	<u>- 3,555</u>
Net Income	\$ 85,316

Expenses

Bank fees	\$ 108
Quick Books fee	357
Website fees	526
Office supplies/Postage	2,611
Corporate license	10
PO Box fee	156
Liability insurance	1,351
Lien fees	610
Attorney fees/Legal Expense	6,211
Meeting expense	357
Audit expense	2,749
Reserve Study fee	408
Income Taxes	189
Road Maintenance Fund Item (2021 Voting Ballot Item #3)	4,960
General Road Maintenance	31,589 *
Snow Plowing/Sanding	20,735
Sanding Facility Rental Fees	800
Weed Spray	<u>13,127</u>
Budgeted Costs	\$ 86,854
Net Income/Loss	\$ -1,538

“Expenses” dollar amounts are based on adjusted historical averages plus adding average of 2% inflation rate equating to what was brought forward to the membership in the 2021 Voters Pamphlet. Also, three additions were added:

- Lien Fees of \$610. As stated in the Voters Pamphlet, this figure is a “wash” because when a lien is filed against a Lot the cost of the lien is assessed on the Lot, thus there was not a dollar figure put in the figures given to the membership in the Voters Pamphlet. The Lot owner paying for the lien assessment normally does not happen in the same year that the cost was incurred by the HOA. An estimate of 3 liens may have to be filed in 2022/23 at \$203.50 per filing.
- PO Box fee: \$100 was added to the proposed costs due to recent actual increased fee by the US Post Office.

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- Sanding facility rental fee which is based on \$50 a month for site, and \$50 a month for use of tractor (4 months).Continues on back of page

* Below is the breakdown of General Road Maintenance Expense which is based on the adjusted historical yearly averages plus adding average of 2% inflation.

Road Gravel:	\$ 15,188
Gravel Machining:	542
Raking:	2,048
Ditch/Culvert Cleaning:	5,163
Other Road Material/Repairs:	3,131
Admin. Labor & Materials:	999
Capital Improvements:	572
Emergency Repairs:	2,721
Erosion Prevention/Control:	1,047
Road side/Easement Maintenance:	<u>178</u>
Total Road Maintenance:	\$ 31,589

Notes for Management of Budget:

- A spreadsheet will be created showing actual cost as the year unfolds for each expense category in the budget.
- The spreadsheet will be updated on a monthly basis, submitted to the Board with the monthly Cash Flow Report. Report will be posted on the website for the membership, and will be available upon request.
- The spreadsheet will give the Board a tool to keep control over expenditures during the fiscal year.
- At fiscal year end the Board will use the spreadsheet as a tool to identify overage/underage of budgeted items as well as the overall picture of the HOA fiscal health. The spreadsheet will show where the HOA will need to adjust income at future dates and changes to averages of expenses.
- At year end, the total overage (spending more than budgeted) will be taken from the Reserve/Savings Account.
- Underage (spending less than budgeted) will be placed in the Reserve/Savings Account.
- Budgeted expenses are based on average cost through the years of the HOA. Factors like added road wear because of increase in traffic on the roads and inflation were factored in. It is believed that historical averages include that all **needed** tasks were taken care of for the HOA except replacement gravel/material.
- In years past, the common management of the HOA funds was to perform all needed road maintenance (culvert/ditching/crowning/etc) and what was left was spent on gravel. This often left very little for gravel. Now, gravel/replacement material is a fixed costs; if \$15,000 is budgeted for gravel then \$15,000 will be placed on the roads.
- If the management of the budget here forward is to continue **needed** tasks, then the funds should always be available. Examples:
 - Winter maintenance budget is \$20,735. If winter maintenance ends up costing \$25,735 the additional \$5,000 needed will come from the Reserve/Savings Account. If winter maintenance was \$15,735, then \$5,000 will be placed into the Reserve/Savings Account. In other words, if the cost for winter maintenance is less than budgeted (say by \$5,000) that does not mean that the HOA has \$5,000 to spend in a different budget category. The money will be placed in reserve to pay for those years where more funds are needed for winter maintenance.
 - The HOA road maintenance is affected by traffic use and weather, which is ever-changing. Another example would be if this year the HOA did not require any culvert cleaning then the funds budgeted for that, and not used, would be placed in the Reserve/Savings account for future years when culvert cleaning will be required.
- Again, the budgeted figures are based on historical averages. Based on this history the HOA is now able to project future costs in a realistic way. The current budget rate does not allow for large capital improvements because another expense category would suffer. If the Board decided to spend a large amount on a capital improvement then the funds would have to come from either a membership-voted special assessment or from a well-justified offset from some other expense category of savings in the Reserve Fund.
- Road Committee will present a report at least twice a year (spring and fall) of proposed road work. Report will separate costs per budgeted categories, as well as state where (what roads) are receiving maintenance and what work is being performed. Board will approve before work commences. This report will fulfill transparency and management liability requirements for the Board, and this report will be posted on the website to keep the membership informed. The Road Committee will inform the Board of any additional maintenance needed beyond agreed upon work.

Nine Mile Ranch HOA

Adopted Budget for June 1, 2023 through May 31, 2024

Projected Income

Annual Assessments	\$94,612.00	310 Lots x \$305.20
Road Maintenance; voting item #3 (2021)	\$6,405.00	310 Lots x 20.66
Projected Income	\$101,017.00	
Less 4% estimated noncollectable	\$4,040.00	
Total Projected Income	\$96,977.00	

Estimated Expenses

Bank Fees	\$50.00
Quick books Fee	\$585.00
Website Fees	\$108.00
Office Supplies/Postage	\$2,611.00
Corporate License	\$20.00
PO Box Fee	\$166.00
Liability Insurance	\$1,354.00
Lien Fees	\$610.00
Attorney Fees/Legal Exp.	\$6,211.00
Meeting Expense	\$657.00
Audit & Tax Preparation Expense	\$2,700.00
Reserve Study Expense	\$1,075.00
Snow Plowing/Sanding	\$20,735.00
Sanding Facility Rental	\$800.00
Weed Control	\$14,439.00

Road Maintenance

Road Gravel	\$18,681.00
Gravel Machining	\$542.00
Raking	\$3,420.00
Ditch/Culvert Cleaning	\$5,163.00
Other Road Material/Repairs	\$3,131.00
Admin. Labor & Materials	\$999.00
Capital Improvements	\$572.00
Emergency Repairs	\$2,721.00
Erosion Prevention/Control	\$1,047.00
Roadside/Easement Maintenance	\$178.00
Emergency/Savings Deposit	\$1,854.00
Road Maintenance; voting item #3 (2021)	\$8,092.00
Gravel/Driveway Culverts	
Total Estimated Expenses	\$98,521.00

Net Income/Loss **-\$1,544.00**

Nine Mile Ranch HOA

Adopted Budget for Fiscal Year 6/1/24 through 5/31/25

Projected Income

Annual Assessments	\$104,073.00	310 Lots X \$335.72
Road Maintenance; voting item #3 (2021)	\$7,307.00	310 Lots X 23.57
Projected Income	<u>\$111,380.00</u>	
Less 4% estimated noncollectable	<u>-\$4,455.00</u>	
Total Projected Income	\$106,925.00	

Estimated Expenses

Bank Fees	\$39.00
Quick books Fee	\$639.00
Website Fees	\$234.00
Office Supplies/Postage	\$2,699.00
Corporate License	\$20.00
PO Box Fee	\$166.00
Liability Insurance	\$1,354.00
Lien Fees	\$0.00
Attorney Fees/Legal Exp.	\$6,547.00
Meeting Expense	\$608.00
Audit & Tax Preparation Expense	\$2,725.00
Reserve Study Expense	\$350.00
Snow Plowing	\$20,883.00
Sanding Facility Rental	\$550.00
Winter Sanding	\$3,398.00
Weed Control	\$12,813.00

Estimated Road Maintenance Expenses

Road Gravel	\$19,359.00
Gravel Machining	\$528.00
Raking	\$7,319.00
Ditch/Culvert Cleaning	\$2,801.00
Other Road Material/Repairs	\$1,549.00
Admin. Labor & Materials	\$603.00
Capital Improvements	\$723.00
Emergency Repairs	\$1,308.00
Erosion Prevention/Control	\$2,291.00
Roadside/Easement Maintenance	\$974.00
Emergency/Savings Deposit	\$4,323.00
Road Maintenance; voting item #3 (2021)	\$7,307.00
Gravel/Driveway Culverts	
Reserve Fund	\$8,616.00
Credits (explained in Notes)	<u>-\$3,801.00</u>
Total Estimated Expenses	\$106,925.00

Net Income/Loss 0

Nine Mile Ranch HOA

Adopted Budget for Fiscal Year June 1, 2025 thru May 31, 2026

Projected Income

Annual Assessments	\$107,173.00	310 Lots x \$345.72
Voting Item #3 (2021 Ballot)	\$7,660.00	310 Lots x \$24.71
Less 4% estimated noncollectable	-\$4,593.00	
Total Projected Income	\$110,240.00	

Estimated Expenses

Bank Fees	\$36.00
Quick Books Fee	\$700.00
Website Fees	\$234.00
Office Supplies/Postage/Printing	\$2,699.00
Corporate License	\$20.00
PO Box Fee	\$170.00
Liability Insurance	\$1,354.00
Lien Fees	\$0.00
Attorney Fees/Legal Exp.	\$6,547.00
Other Legal Costs	\$0.00
Meeting Expense	\$608.00
Audit/Tax Preparation/Taxes	\$2,725.00
Reserve Study Exp.	\$350.00
Snow Plowing/Sanding	\$24,348.00
Sanding Facility Rental	\$1,200.00
Weed Control	\$12,688.00

Road Maintenance	
Road Gravel	\$20,049.00
Gravel Machining	\$528.00
Raking/Grading	\$7,319.00
Ditch/Culvert Cleaning	\$2,801.00
Other Road Material/Repairs	\$1,549.00
Admin. Labor & Materials	\$603.00
Capital Improvements	\$723.00
Emergency Repairs	\$1,308.00
Erosion Prevention/Control	\$2,291.00
Road Base Repair	\$2,275.00
Roadside/Easement Maintenance	\$974.00
Road Maintenance Voting Item #3	\$7,660.00
Emergency/Savings Deposit	\$2,608.00
Capital Improv: Reserve Fund	\$10,301.00
Credits	-\$4,428.00
Total Estimated Expenses	\$110,240.00

Net Income \$0.00