



**ArrowCreek Homeowners Association
2016 Budget -Draft #4
Operating Budget Summary**

	2016 Budget	2015 Budget	2015 Projection
<u>Operating Revenues</u>			
Residential Assessments - \$218 per month	2,840,976	2,840,976	2,840,976
Contribution to Reserves - \$80 per month	(1,042,560)	(1,042,560)	(1,042,560)
Contribution to Capital Projects	0	(52,128)	(52,128)
Gate Assessments \$5 per month	16,500	16,500	16,500
Contribution to Reserves-Gates	(5,400)	(5,400)	(5,400)
Road Snippet Assessment-\$25 per month	4,800	4,800	4,800
Contribution to Reserves-Road Snippets	(3,840)	(3,840)	(3,840)
AC Country Club Assessments	15,696	15,696	15,696
ADRC Submittal Fees	25,000	33,000	33,975
Gate Transponders & Clickers	18,000	15,000	19,380
Social/Recreation/Activity Fees	1,200	1,200	2,000
Room Rental Fees	900	900	500
Late Fees & Interest	8,100	6,438	8,190
Construction Penalties	0	0	2,250
Compliance Fines	6,000	12,000	3,550
Interest Earned - Operating Accounts	1,900	2,100	2,255
Grant Income	50,000	76,000	58,187
	1,937,272	1,920,682	1,904,331
<u>Operating Expenses</u>			
Administrative	44,250	44,850	42,001
Communications	18,400	23,600	27,426
Payroll & Benefits	1,011,959	933,336	947,093
Insurance	78,738	76,516	76,862
Utilities	185,001	185,803	169,559
Landscaping	21,250	21,250	22,713
Operations	85,025	73,930	58,167
Contracted Services	93,475	137,100	104,528
Repair & Maintenance	304,555	239,414	201,907
Professional Services	244,500	222,135	272,505
Taxes	1,200	750	1,158
	2,088,354	1,958,682	1,923,919
Total Expenses			
	2,088,354	1,958,682	1,923,919
Net Revenues over/(under) Expenses	(151,082)	(38,000)	(19,588)
<u>Capital Projects Revenues</u>			
Capital Projects Assessments	0	52,128	52,125
<u>Capital Projects Expenses</u>			
Capital Project - Sign	10,000	40,000	0
Capital Project - Website Development	25,000	0	0
Capital Project - Park Benches	0	3,500	3,594
Capital Project - Kitchen Equip. & Plumbing Retrof	0	95,000	0
Net Revenues over/(under) Expenses	(35,000)	(86,372)	48,531



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	<u>2016 Budget</u>	<u>2015 Budget</u>	<u>2015 Projection</u>
GrandTotal Revenue over/(under) Expenses	(186,082)	(124,372)	28,943

**ArrowCreek Homeowners Association
Surplus (Deficit) Carry Forward**

	Operating	Capital Projects
2014 audited balances	572,881	231,174
Projected 2015 Surplus (Deficit)	(19,588)	48,531
Budgeted 2016 Surplus (Deficit)	<u>(151,082)</u>	<u>(35,000)</u>
Projected Surplus at December 31, 2016	402,211	244,705
Utilization of Surplus:		
Fixed Assets (net)		(208,685)
Purchase Vehicles 2015		(36,000)
Transfer to Reserves	(50,000)	
Two months operating expenses	<u>(348,059)</u>	<u>-</u>
Remaining Available Surplus	<u>4,152</u>	<u>20</u>

Note 1: The board has elected to retain approximately two months of operating expenses to maintain adequate cash flows. The remaining surplus may be used in the following ways as determined by the board of directors: 1) Reduce future year assessments, 2) Refund back to members, 3) Deposit into Reserve Fund, or 4) Apply to future year expenditures

ArrowCreek Homeowners Association
2016 Budget -Draft #4
Operating Budget Summary- All Departments

	2016 Budget	2015 Budget	2015 Projection	Major Assumptions & Changes
Revenue				
4000 Residential Assessments	2,840,976	2,840,976	2,840,976	1086 Units, \$138 Operating, \$0 Capital Projects, \$80 Reserves
4005 Contribution to Reserves	(1,042,560)	(1,042,560)	(1,042,560)	Refer to Reserve Fund Budget
4019 Contribution to Capital Projects	-	(52,128)	(52,128)	Refer to Capital Projects Budget
4014 Gate Assessments	16,500	16,500	16,500	275 Gated Units, \$5 supplemental assessments
4015 Contribution to Reserves-Gates	(5,400)	(5,400)	(5,400)	Refer to Reserve Fund Budget
4017 Road Snippet Assessment	4,800	4,800	4,800	16 Units \$25 supplemental assessments
4018 Contribution to Reserves-Road Snippets	(3,840)	(3,840)	(3,840)	Refer to Reserve Fund Budget
4130 AC Country Club Assessments	15,696	15,696	15,696	6 Unit equivalent, \$218 per month
4205 ADRC Submittal Fees	25,000	33,000	33,975	Includes landscape and construction fees
4220 Gate Transponders & Clickers	18,000	15,000	19,380	Transponder sales for new cars and damaged units
4275 Social/Recreation/Activity Fees	1,200	1,200	2,000	Vendor Commissions on tennis and swim contracts
4400 Room Rental Fees	900	900	500	Assumes one rental per month
4710 Late Fees & Interest	8,100	6,438	8,190	Based on decreasing trend in delinquencies
4805 Construction Penalties	-	-	2,250	Revenue is variable and infrequent so not budgeted
4810 Compliance Fines	6,000	12,000	3,550	Other ACHOA Compliance Fines and Speed Enforcement Fines
4900 Interest Earned - Operating Accounts	1,900	2,100	2,255	Interest income on operating accounts
4990 Grant Income	50,000	76,000	58,187	Wildfire Prevention Grant
Total Revenue	1,937,272	1,920,682	1,904,331	
Expenses				
Administrative				
5010 Bad Debt	-	-	(3,995)	Additional provision for uncollectable accounts not required
5020 Committee Expense	1,800	1,800	2,496	Budget support for various committees
5035 Special Events Expense	18,000	18,000	17,428	Planned community events and holiday lighting
5075 Meeting Expenses	7,600	8,800	6,361	Board/Construction meetings. Increase for ADRC Pre-meeting site visits
5090 Office Supplies	12,600	12,000	15,592	Supplies for Admin, Facilities, Residents Club & Security
5095 Payroll Services	3,250	3,250	3,219	Fees for outside payroll service processing
5115 Web Site Maintenance	1,000	1,000	900	Based on current website maintenance fees
Administrative Total	44,250	44,850	42,001	
Communications				
5205 Recreation Program Supplies	3,600	3,600	3,026	Based on 2015 expenses
5210 Printing & Copying	9,200	14,400	14,400	Administrative copies & printing of revised ADRC booklets
5215 Postage	5,600	5,600	10,000	Increase for CC&R Revision Mailing
Communications Total	18,400	23,600	27,426	
Payroll & Benefits				
5300 Salaries	784,534	709,499	709,841	Competitive hourly costs increased for retention
5322 Overtime	12,450	12,468	13,170	No change in estimated OT hours worked
5325 Bonuses	10,000	25,500	25,554	Per payroll schedule
5330 Health Benefits	104,363	90,663	103,266	Based on 2015 premiums and provision for 3 newly eligible employees

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	2016 Budget	2015 Budget	2015 Projection	Major Assumptions & Changes
5335 Other Employee Benefits	4,800	4,800	5,325	Mileage stipend per employment contract
5340 Payroll Taxes	92,512	87,105	87,942	FICA, Medicare & State employment taxes
5399 Employee Education/Training	3,300	3,300	1,995	Combined budget for training & employment recruiting
Payroll & Benefits Total	1,011,959	933,336	947,093	
Insurance				
5390 Workers Compensation	15,247	18,641	12,527	Rate with 75% experience mod & 10% discount. 2.28%. \$36K cap
5400 Auto Insurance	8,491	7,331	8,655	Based on 2015 policy renewal
5445 Insurance Expense	55,000	50,544	55,680	Based on 2015 premiums
Insurance Total	78,738	76,516	76,862	
Utilities				
6000 Electric Service	56,900	55,800	54,851	Based on 2015 usage. No rate increases anticipated
6025 Water Service	95,485	101,135	83,791	Based on 2015 usage. No rate increases anticipated
6035 Trash and Recycling Service	7,496	7,496	6,853	Based on 2015 usage. No rate increases anticipated
6040 Bundled Telecom Services	21,820	18,872	20,784	Based on 2015 usage. No rate increases anticipated
6050 Telephone Service Gates	3,300	2,500	3,280	Based on 2015 usage. No rate increases anticipated
Utilities Total	185,001	185,803	169,559	
Landscaping				
6110 Landscape Equipment Repair & Maintenance	1,250	1,250	612	Small power, hand tools & equipment
6200 Irrigation Repair & Maintenance	20,000	20,000	22,101	Fertilizer, pre-emergent, & plant material & irrigation parts
Landscaping Total	21,250	21,250	22,713	
Operations				
6300 Permits & Licenses	5,441	4,095	4,096	NRED, SOS, NDOT Fees & pool permits
6305 Gate Openers	18,750	15,000	-	Purchase of 750 transponders @ \$25
6315 Uniforms	4,500	4,500	3,736	Budget required for turnover, winter gear, uniform replacements
6345 Equipment Depreciation	32,335	32,335	32,335	Per depreciation schedule
6350 Depreciation - Vehicles	24,000	18,000	18,000	Per depreciation schedule & purchase of two new vehicles
Operations Total	85,025	73,930	58,167	
Contracted Services				
6410 Wildfire Prevention -Consulting	-	8,000	6,220	Consulting & engineering of wildfire sensitive areas
6411 Wildfire Prevention -Grant Writing	7,500	2,000	-	Grant writing vendor contract
6412 Wildfire Prevention- Grant Expense	50,000	114,000	87,281	Hand thinning, mastication, seeding
6414 Wildfire Prevention- Grant Maintenance	10,000	10,000	4,637	Grant budget requirement
6415 Wildfire Prevention - Fuel Reduction	22,875	-	-	Per fuels committee five year plan & maintenance of sensitive areas
6418 Fountains/Ponds/Lakes Services	3,100	3,100	6,390	Detention pond cleaning, service & enhancement
Contracted Services Total	93,475	137,100	104,528	
Repair & Maintenance				
6515 Building Materials & Supplies	6,600	6,600	4,548	HVAC, Plumbing, misc repairs as needed
6555 Equipment Rental/Repair & Maintenance	5,000	9,600	6,566	Portable maint. Containers & Maint. of power equip. & carts
6595 Gate & Monument Repair & Maintenance	6,600	9,200	1,822	Annual preventive Maint. & unforeseen repairs for front & 4 sub gates

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6635 Janitorial Supplies & Maintenance	4,500	3,000	4,556	Janitorial supplies for all departments
6640 Lighting Supplies/Repair & Maintenance	2,400	2,400	1,062	Solar/Mercury lighting replacements
6675 Office Equipment Repair & Maintenance	1,800	1,800	2,148	Facilities computer & office supplies as needed
6690 Pest Control Supply/Repair & Maintenance	500	500	995	Mice & Insect eradication
6700 Pool/Spa Repair & Maintenance	37,000	32,910	37,356	Contract out to bid. Budget based on 2015 expenses
6710 Recreation Supplies/Repair & Maintenance	4,800	4,800	3,932	Repairs for fitness/rec equipment
6730 Security System Repair & Maintenance	9,000	9,000	11,661	Key card system, radar, radio, small equip & computer repairs
6745 Signage Repair & Maintenance	1,200	1,200	2,479	Replace damaged security/safety signs as required
6750 Snow Removal & Supplies	175,000	105,000	84,653	Snow removal, ice melt and staking based on 150% of 10 year average
6760 Street Sweeping & Maintenance	29,280	27,060	24,600	Per 2015 bid
6775 Vehicle Gas & Maintenance	20,875	26,344	15,529	Assume 4,625 gallons gasoline at \$3.00 per gallon & \$7K vehicle maint.
Repair & Maintenance Total	304,555	239,414	201,907	
Professional Services				
6060 Architectural Review Expense	7,200	5,000	7,616	12 ADRC meetings and additional hearings or workshops
6115 Construction Enforcement	11,000	9,900	11,584	Based on 2015 actual expenses
7000 Audit & Tax Services	15,000	15,000	17,880	CPA audit required by NRS116
7010 Engineering Services	1,000	3,000	96	Engineering as needed for facilities
7020 Legal Services	38,000	23,000	60,000	Legal budget for HOA and Architectural activities.
7040 Management Fees	168,500	162,435	157,704	Per 2015 bid. One year contract with two one year renewal options.
7095 Special Projects	3,800	3,800	17,625	Management projects as assigned by BOD.
Professional Services Total	244,500	222,135	272,505	
Taxes				
9015 Property/Real Estate Tax	1,200	750	1,158	Washoe county personal property tax & common area parcels
7150 - Facility Architect Eng & Design	1,200	750	1,158	
Total Expense	2,088,354	1,958,682	1,923,919	
Net Revenues over Expenses	(151,082)	(38,000)	(19,588)	Funded by 2015 surplus carry forward
Capital Projects				
Revenues:				
4019 Capital Projects Assessments	-	52,128	52,125	\$0 per unit per month allocated to fund capital projects
Expenses:				
7170 Capital Project - Sign	10,000	40,000	-	-
7175 Capital Project - Website Development	25,000	-	-	Board approved capital expenditure
7180 Capital Project - Park Benches	-	3,500	3,594	Board approved capital expenditure
7185 Capital Project - Kitchen Equip. & Plumbing Re	-	95,000	-	Board approved capital expenditure

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	2016 Budget	2015 Budget	2015 Projection	Major Assumptions & Changes
Total Capital Projects	(35,000)	(86,372)	48,531	Funded by 2015 surplus carry forward
Net Revenue over Expenses & Capital Projects	(186,082)	(124,372)	28,943	