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2019 Budget		
<u>Income</u>	<u>2018</u>	<u>2019</u>
Assessments - 336 Class A Members:		
* General Operating Fund @ \$350.00		\$117,600.00
* Dam & Lake Maintenance Fund @ \$150.00		<u>\$50,400.00</u>
	\$146,740.00	\$168,000.00
Boating & Vehicle Permits	\$8,000.00	\$8,000.00
Building Permits	\$700.00	\$800.00
Fines & Penalties	\$500.00	\$800.00
Farm Lease	\$3,200.00	\$5,400.00
Interest	\$3,500.00	\$800.00
Transfer Fees	\$9,000.00	\$9,000.00
Cable Transfer Fee/Tower Ground Rental	\$1,200.00	\$2,000.00
Grounds Maintenance	\$3,500.00	\$3,000.00
Misc. Income (Hall Rental/Chlorine)	<u>\$2,000.00</u>	<u>\$1,000.00</u>
Total Revenue:	\$178,340.00	\$198,800.00
<u>Expenditures</u>		
Capital Improvement or Reserve Fund	\$5,000.00	\$4,000.00
Officie & Hall Expenses	\$2,000.00	\$2,500.00
Dam & Lake Maintenance	\$38,906.00	\$50,400.00
Fish Stocking	\$1,500.00	\$1,500.00
Weed Control	\$5,000.00	\$5,000.00
Grounds	\$1,200.00	\$3,000.00
Roads	\$12,808.00	\$12,000.00
Equipment Expenses/Supplies	\$3,000.00	\$3,000.00
Conservation & Watershed	\$7,426.00	\$7,500.00
Gas & Oil	\$5,000.00	\$5,000.00
Property Taxes	\$4,000.00	\$4,000.00
Insurance	\$9,600.00	\$9,600.00
Professional Fees	\$2,000.00	\$7,000.00
Utilities	\$9,500.00	\$10,000.00
Miscellaneous Expense	\$4,500.00	\$4,000.00
Maintenance Salary	\$35,000.00	\$35,000.00
Office Workers' Salary	\$25,900.00	\$25,900.00
Seasonal Salary	\$0.00	\$3,000.00
Employment Taxes	<u>\$6,000.00</u>	<u>\$6,000.00</u>
Total Expenditures:	\$178,340.00	\$198,400.00
Pass Thru Budget - whatever is collected will be Released Escrow or Fireworks Display		
Lease Escrow (15 @ \$6,500)	\$97,500.00	
Special Events/Fireworks	\$16,000.00	

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Lake and Dam Maintenance Fund Justification

Review: As most of you know, at the October 20, 2018 annual meeting one of the items up for vote was to approve the budget for 2019 which included increasing the current assessment of \$460 by \$40 for an annual assessment of \$500. Unfortunately, this increase/budget was **NOT** passed (112 to 58; need 2/3 approval of 190 ballots cast or 128 votes). This leaves all of us as homeowners and the association in an uncomfortable situation which "WE" as SLA owners need to rectify.

The most important part of having a nice home on a lake , is the LAKE. Therefore we want to clarify where \$34 of the \$40 increase will be spent which is to protect or lake.

As homeowners, our top priorities are:

1. To ensure we have water in our lake
2. We can control the level of water for the sake of our homes
3. We have a healthy lake that everyone can enjoy

Here are the facts:

In October 2017, the dam and spillway were inspected by the engineering firm of Greene & Bradford, Inc. of Springfield. They have identified repairs needed.

There are 3 components that control the water in our lake.

1. Dam
2. Spillway
3. Dewatering tower

Without any of these components, we run the risk of either not having water in our lake. Think about the times when we lowered the lake quite a few feet and how your shoreline looked and lack of boat access. Do you want to live with it year-round?

At the October board meeting, we voted to combine the 3 funds below into 1 account, "Dam and Lake Maintenance Fund". This allows flexibility of where we can use the funds based on necessity. Currently, this combined fund has approximately \$73,000.

Current Funds:

Components	Current Funds
#1 Concrete Spillway	\$19,000
#2 Dewater Tower	\$36,000
#3 Dredging/Restoration	\$18,000
Total	\$73,000

Greene and Bradford Inc. and the board have come up with a 2 phased approach in making the repairs that the inspection firm has identified and with the proposed projected funds. The increase of \$34 in annual association dues will allow us to increase this account to approximately \$50,000 per year. As you can see in the breakdown below, it will take up to 5 years to complete phase 1 based on the increase of the incoming funds.

If the increase is **NOT** approved, these repairs will not be done in a timely matter which puts all SLA owners property at risk.

Phase 1: (1-5 year plan)

Component	Repair Estimate	Current Fund	2018 Dam and Lake Maintenance Assessment	2019 Proposed \$34.00 Increase
#1 Concrete Spillway	\$110,000			
#2 Dewater Tower	\$100,000 - \$130,000* TBD			
#3 Dredging/Restoration	\$100,000			
Total	\$310,000 - \$340,000	\$73,000	\$116 per lot	\$150 per lot

Note: \$73,000 + \$50,400 per year (5 years) = \$325,000

This allows for the budget to cover the approximate expenses of phase I.

* Actual expenses still to be determined.

Phase 2: In the future, (6 – 10 year plan)

Mechanism	Repair Estimate
Concrete Spillway and Dam	\$100,000 - \$125,000 (Identified by the October 2017 inspection by Greene and Bradford, Inc)
Dredging/Restoration	\$100,000
Total	\$200,000 - \$225,000

Note: The above estimates are purely estimates at the current time.

Other Budget justifications:

1. The additional \$6 (of the \$40) increase per lot, approximately (\$1,900 Annually) will be used for increased budget items for seasonal maintenance workers and professional services.
2. The budget includes an annual assessment for all multiple lot owners that are not covered by the "1995 Assessment Consolidation Agreement to Leases".
3. All other projected expenses stay in the same ballpark and are based on 2018 expenses