

Approved FY2020 SRCA Budget Summary and Cost Sharing

	Forecast	Budget	Change	Change	
	FY2019	FY2020	\$	%	Comment
Income					
4000 · Association Dues	680,494	716,024	35,530	5.2%	
4440 · SRR Maintenance	20,279	15,488	-4,791	-23.6%	Discontinue pre-check inspections. Remaining budget is for expenses incurred by SRCA attributable to SRR rental operations or guests. All work done on work orders, billed at same rates as in-unit maintenance provided to owners.
4xxx · RBO Maintenance	0	2,312	2,312	NA	For expenses incurred by SRCA attributable to RBO rental operations or guests. All work done on work orders, billed at same rates as in-unit maintenance provided to owners.
4450 · Owner Maintenance	2,746	5,000	2,254	82.1%	Increase pricing for in-unit repairs.
4610 · SRR Rent	24,000	15,000	-9,000	-37.5%	Reduction in SRR rent, based on competitive survey. See Rich's email.
4615 · SRR Reservation Support	20,188	21,000	812	4.0%	FD reservations support now spread over all agents.
4635 · Infrastructure Support - SRR	110,616	98,392	-12,224	-11.1%	From cost sharing calculation below.
4636 · Infrastructure Support - RBO	15,082	14,455	-628	-4.2%	From cost sharing calculation below.
4640 · Firewood Income	1,851	1,888	37	2.0%	2% growth
Total Income	875,255	889,559	14,303	1.6%	
Gross Profit	875,255	889,559	14,303	1.6%	
Expense					
Total 5005 · SRCA Payroll	268,598	273,970	5,372	2.0%	2% growth
5020 · FICA Expense - Simba portion	20,682	21,096	414	2.0%	2% growth
5035 · Unemployment Taxes	2,417	2,466	48	2.0%	2% growth
5040 · Workman's Comp Insurance	6,715	6,849	134	2.0%	2% growth
Total 5000 · Payroll	298,412	304,381	5,968	2.0%	2% growth
5100 · Administrative Expenses					
5110 · Managment Fee	26,400	29,040	2,640	10.0%	10% MPM Increase
5120 · Accounting Expense	15,000	15,000	0	0.0%	Flat
5130 · Professional Services	10,928	11,146	219	2.0%	2% growth
5140 · Legal Expense	454	463	9	2.0%	2% growth
5150 · Office Supplies	5,219	5,323	104	2.0%	2% growth
5155 · Bank Service Charges	546	557	11	2.0%	2% growth
5160 · Other Administrative Expense	13,483	13,753	270	2.0%	2% growth
5165 · Coffee and DVD	9,547	9,738	191	2.0%	2 % growth. Spit between 53% Coffee; 47% DVD
Total 5100 · Administrative Expenses	81,578	85,021	3,444	4.2%	2% growth
5200 · Operating Insurance and Taxes					
5210 · Building Insurance	48,458	49,427	969	2.0%	2% growth
5220 · Personal Property Tax	230	234	5	2.0%	2% growth
Total 5200 · Operating Insurance and Taxes	48,688	49,661			
5300 · Maintenance Expense					
5310 · Painting / Drywall	3,059	3,120	61	2.0%	2% growth
5315 · Landscaping & Grounds	7,791	7,947	156	2.0%	2% growth
5320 · Snow Removal	13,311	13,577	266	2.0%	2% growth
5325 · Garage Expense	754	769	15	2.0%	2% growth
5330 · Carpet Cleaning	572	584	11	2.0%	2% growth
5335 · Elevator Expense	26,401	26,929	528	2.0%	2% growth. Expect significantly lower service contract pricing after elevator modernization in 3rd quarter of 2020.
5340 · Lighting Expense	638	651	13	2.0%	2% growth
5345 · Keys & Locks	576	588	12	2.0%	2% growth
5360 · Exterior Building Maintenance	16,953	17,292	339	2.0%	2% growth
5370 · Interior Repairs & Maintenance	12,690	12,943	254	2.0%	2% growth
5375 · Miscellaneous	928	947	19	2.0%	2% growth

5380 · Outside Maintenance Services	9,527	9,718	191	2.0%	2% growth
5385 · Housekeeping Labor from SRR	0	0			
Total 5300 · Maintenance Expense	93,200	95,064	1,864	2.0%	2% growth
5400 · Amenities		0			
	16,599	16,931	332	2.0%	2% growth
5430 · Firewood	840	857	17	2.0%	2% growth
Total 5400 · Amenities	17,439	17,788	349	2.0%	2% growth
5500 · Fire and Protection		0			
5520 · Alarm Monitoring	1,941	1,980	39	2.0%	2% growth
5530 · Smoke Detectors / Extinguisher	2,903	2,961	58	2.0%	2% growth
5540 · Sprinkler System	6,306	6,432	126	2.0%	2% growth
Total 5500 · Fire and Protection	11,150	11,373	223	2.0%	2% growth
5600 · Utilities					
5610 · Electricity	68,579	69,951	1,372	2.0%	2% growth
5620 · Gas Expense	20,939	21,358	419	2.0%	2% growth
5630 · Water & Sewer	80,554	82,165	1,611	2.0%	2% growth
5640 · Trash Removal	10,306	10,512	206	2.0%	2% growth
5650 · Cable TV Expense	69,519	70,909	1,390	2.0%	2% growth
5660 · Telephone Expense	9,137	5,330	-3,807	-41.7%	Complete telephone project by Oct 31.
Total 5600 · Utilities	259,034	260,225	1,191	0.5%	2% growth
5700 · Transportation					
5710 · Bus Gas / Repair / Maintenance	20,000	17,000	-3,000	-15.0%	High expense this year, expected to be less in FY2020.
5720 · Bus License & Fees	1,112	1,134	22	2.0%	2% growth
5740 · Bus Insurance	2,201	2,245	44	2.0%	2% growth
Total 5700 · Transportation	23,313	20,379	-2,934	-12.6%	2% growth
5800 · Manager Housing					
5820 · Manager Unit Condo Fees	9,131	9,314	183	2.0%	2% growth
5840 · Manager Unit Real Estate Taxes	2,259	2,304	45	2.0%	2% growth
Total 5800 · Manager Housing	11,390	11,617	228	2.0%	2% growth
5900 · Depreciation Expense	21,649	24,049	2,400	11.1%	Depr for new exercise equipment.
Total Expense	865,852	879,559	13,706	1.6%	Surplus
Fund Surplus/-Deficit	9,403	10,000			10,000
Beginnig Fund Balance	12,888	22,291			
Ending Fund Balance	22,291	32,291			
Monthly Dues	\$606.77	\$638.45	\$31.68	5.2%	

BUDGET SUMMARY

	Forecast FY2019	Budget FY2020	Change \$	Change %	Comment
Income					
Dues	\$680,494	\$716,024	\$35,530	5.2%	Dues Increase.
Shared Infrastructure Support -- SRR	\$110,616	\$98,392	-\$12,224	-11.1%	Reduced front desk expense. Reduced rental nights.
Shared Infrastructure Support -- Independents	\$15,082	\$14,455	-\$628	-4.2%	Reduced front desk expense. Increased rental nights.
Direct Support from SRR	\$64,467	\$51,488	-\$12,979	-20.1%	Reduced SRR rent; discontinued pre-checks; added payments for repairs and other support due to SRR operations.

Direct Support from RBOs	0	1,800	\$1,800		Added payments for repairs and other support due to RBO operations.
Misc Income	\$4,597	\$9,200	\$4,603	100.1%	
Total Income	\$875,255	\$889,559	\$14,303	1.6%	
Expenses					
Payroll	\$298,412	\$304,381	\$5,968	2.0%	Wage inflation
Administrative	\$81,578	\$85,021	\$3,444	4.2%	McNeill 10% fee increase, plus inflation on other line items.
Insurance	\$48,688	\$49,661	\$974	2.0%	Inflation
Maintenance	\$121,789	\$124,225	\$2,436	2.0%	Inflation
Utilities	\$259,034	\$260,225	\$1,191	0.5%	Inflation, less reduced phone costs
Transportation	\$23,313	\$20,379	-\$2,934	-12.6%	Non recurring maintence in FY 2019
Manager Housing	\$11,390	\$11,617	\$228	2.0%	Inflaiton
Depreciation	\$21,649	\$24,049	\$2,400	11.1%	Added fixed assets: shuttle, plus exercise equipment
Total Expenses	\$865,852	\$879,559	\$13,706	1.6%	
Surplus/Deficit	\$9,403	\$10,000	\$597	6.3%	
Beginning Fund Balance	\$12,888	\$22,291			
Ending Fund Balance	\$22,291	\$32,291			
Monthly Dues for avererage size unit	\$606.77	\$638.45	\$31.68	5.2%	

Change Drivers	\$ Change	% Change	Comments
Non-Dues Income			
Maintenance Support to SRR	-4,791	-0.7%	Pre-check in inspections transferred from SRCA Maintenance to Housekeeping reduced support by \$19,800. This frees up 550 hours of maintence support for common area projects. Added \$12K for common area repairs and other maintenance due to SRR operations or damage caused by SRR guests. New for 2020. Net is \$8279 reduction in support.
SRR Rent	-9,000	-1.3%	Based on market survey, rent SRR had been paying was to high. Inlcudes added space for new SRR renal manager.
SRR Reservation Support	812	0.1%	Estimate for front desk SRR reservations and complaint management support, spread out across all FD agents. The \$21K amount is 22% of total front desk hours.
RBO Maintenance	2,312	0.3%	For common area repairs and other maintenance support due to RBO operations or damage caused by RBO guests.
Infrastructue Support - SRR	-12,224	-1.8%	See below. The reduction in SRR Infrastructure support is almost entirely due to the cost of providing front desk service in FY 2019 being under budget and this favorable variance being reflected in the FY2020 budget.
Infrastructure Support - RBO	-628	-0.1%	See below.

Misc Income	2,291	0.3%
Total Non Dues Income	-21,227	-3.1%
Total Expense	13,706	2.0%
Surplus	597	0.1%
Total Impact on Association Dues	\$35,530	5.2%

Income from maintenance service to owners and firewood sales.

Total non-dues income down.

Total Expenses up.

Surplus up.

Dues Increase to cover reduction in income, increase in expenses, and increase in surplus.

Shared Infrastructure Support	FY2020 Budget	FY2019 Budget	Change	% FY2019
90% Front Desk Cost Share	67,548	78,088	-10,540	87%
90% Night housemen Cost Share	19,256	18,878	378	102%
90% Night Shuttle Cost Share	17,279	16,940	339	102%
90% Coffee & DVD Cost Share	8,765	10,549	-1,784	83%
Damage Repair Fund	0	0	0	N/A
Total Shared Infrastructure Support	112,847	124,455	-11,608	91%
Shared Infrastructure Support - SRR	98,392	110,616	-12,224	89%
Shared Infrastructure Support - RBO	14,455	13,839	616	104%

Comments

Amounts include PR burden and are after subtracting direct front desk support from SRR. The 10.5 K reduction in budgeted front desk support reflects the fact that in FY2019 the actual cost of front desk service was under budget by \$10.5K. In otherwords, SRCA took in \$10.5 K more in support for front desk service that it actually cost to provide this service.

Budgeted same as last year with 2% growth.

Budgeted same as last year with 2% growth.

The \$1.8K reduction in budgeted coffee and DVD support reflects the fact that in FY2019, actual cost of supplying coffee and DVD was under budget by \$1.8K. In otherwords, SRCA took in \$1.8K more in coffee and DVD support than it actually cost to provide this service.

For repair of damage to common areas caused by rental guests. Will keep track of actual costs and adjust accordingly for FY2021.

Based on FY2019 SRR rental nights; see calculations below.

Based on FY2019 RBO rental nights; see calculations below.

Front Desk Support Calculation	FY2020 Budget	FY2019 Forecast	Change \$	Change %
FD Labor with Burden	96,053	94,170	1,883	2%
Direct Support From SRR	-21,000	-20,188	-812	4%
Net FD Budget with Burden	75,053	73,982	1,071	1%
90% to ST Renters	67,548	66,584	964	1%

Comments

Total front desk payroll with burden

For front desk SRR reservations and complaint management support, spread out across all FD agents. The \$21K amount is 22% of total front desk hours.

Amount to be spread 90-10 between short term rental infrastructure support and SRCA

Amount to be prorated between short term renters (SRR & RBO) based on rental nights.

10 % to SRCA	7,505	7,398	107	1%
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Total paid for front desk the by the Association

Nightly Infrastructure Support Fee	FY2020 Budget	FY2019 Budget	Change	%FY2019
SRR Rental Nights	7,395	8,401	-1,006	88%
RBO Rental Nights	1,086	1,051	35	103%
Total Rental Nights	8,481	9,452	-971	90%
Infrastructure support fee/ night	\$13.31	\$13.17	\$0.14	101%
SRR Rental Nights %	87%	89%		
RBO Rental Nights %	13%	11%		
Total Rental Nights %	100%	100%		

Comments

FY2020 nights are 3 year average FY2017, FY2018, FY2019. See Below.

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Increase due to fewer total rental nights. This compares to \$15.02 per night in previous budget before 3 year averaging.

Rental Night Averaging	FY2017	FY2018	FY 2019*	Average
SRR Rental Nights RDP	8,401	7,157	6,626	7,395
RBO Rental Nights FS	1,051	1,060	1,148	1,086
Total Rental Nights	9,452	8,217	7,774	8,481
% SRR Rental Nights RDP	89%	87%	85%	87%
% RBO Rental Nights FS	11%	13%	15%	13%
% Total Rental Nights	100%	100%	100%	100%

* FY2019 based on Aug1 2018 - July 31 2019

Impact of Prechecks Maint --> HK	
Number of prechecks	2,200
Pre-check fee	\$9.00
\$ Impact	19,800
Hours freed up for common area maintenance	550