

2013 BUDGET

At the January Board meeting, a new budget was approved for 2013. Ratification of the budget will be on the February agenda, and will occur unless there is a majority opposition by the association members. A copy of the new budget is enclosed for your review.

The 2012 expenditures were reviewed during the budget development process. Highlights of the year are shown below:

Budget Category	Amount Budgeted	Actual Expenses	Percent Of Budget
Water System			
Electricity	\$8100.00	\$9060.82	111.9%
Operator	\$7200.00	\$7200.00	100%
Tests/Permits	\$1200.00	\$1471.26	122.6%
Parts/Maint.	\$1800.00	\$1343.88	74.7%
Totals	\$18,300.00	\$19,075.96	104.2%
Association			
Insurance	\$825.00	\$877.00	106.3%
Filing fees	\$200.00	\$200.00	100%
Sec/Treas	\$3000.00	\$3000.00	100%
Office Supply	\$180.00	\$421.43	234.1%
Postage/Paper	\$500.00	\$342.02	68.4%
Road Maint.	\$1700.00	\$215.40	12.7%
Snow Remov.	\$800.00	\$736.02	92.0%
Software fees	\$414.00	\$505.58	122.1%
Legal fees	\$1800.00	\$0	--
Totals	\$9,419.00	\$6,297.45	66.9%
Total Budget	\$27,719.00	\$25,373.41	91.0%

While the bottom line for the association looks good at first glance, with overall expenses at 91% of budget, a deeper look indicates some shortfalls for the water system. First, power costs were higher than anticipated, due to increased consumption and higher rates. Second, bacterial contamination in the well resulted in a substantial increase in water sampling costs. The result was a nearly \$800.00 overrun in water system spending for 2012.

Not reflected in the above chart is the revenue side of the budget. The initial budget for 2012 was designed based on the assumption that all lots would be paying a flat fee for water, regardless of use. This proved to be unpopular with the membership, and the Board adopted a revised fee structure that reflected variations in water use. Total water system revenue came in approximately \$1,200.00 lower than had been initially projected under the earlier fee structure, and several delinquent accounts have increased this shortfall.

The combined loss of revenue and cost overruns in the water system meant that we were unable to meet the goal of an \$8,000.00 contribution to the Capital

Improvements fund. We had hoped to finish the year with \$28,000.00 in this fund, working toward our goal of \$60,000.00 by 2016 to cover meter installations. Instead, we are starting the year with only about \$23,000.00 in this fund.

RATE INCREASES

As you review the enclosed budget, you will see that water rate increases were approved by the Board. The base rate, which is paid by all lots, will increase to \$11.00 per month, while the water use rate will be raised to \$34.00 per month. For a single lot with a home, the combined monthly water rate will be \$45.00. Additionally, members with irrigation rights will see an increase in the annual irrigation rate, which will now be billed at \$66.00 per irrigated acre per year.

FINANCIAL REPORT – 1/28/13

Bank Accounts:	\$44,875.95
CD 1962 – Capital Improvements	\$5,509.87
CD 8101 – Capital Improvements	\$5,246.08
Checking – Operations	\$5,248.59
Savings – Association Dues	\$5,172.44
Savings – Capital Improvements	\$12,120.36
Savings – Emergency Reserve	\$11,800.00
Accounts Receivable:	\$4,482.82
Other Current Assets:	\$383.81
Total Assets:	\$49,963.97

MAIL INTERRUPTIONS

This winter, snow accumulations in front of many Crumbacher mailboxes prevented delivery by our route carrier. A few members pitched in to chip the ice away and shovel out the snow so that mail delivery could resume. The Board extends a special thanks to those who volunteered their time.

Hopefully, the worst of the winter weather is beyond us, and the problem will not recur. However, should we get further significant snowfall, and you notice mail deliveries are again interrupted, please consider lending a hand in keeping the mailbox access clear.

MEETING MINUTES

Remember that the Board voted last year to forego the mailing of meeting minutes to all members. However, if you wish to review the minutes of Board meetings, they will be posted on our website as they

are approved. The minutes from the most recent Board meeting in October, 2012 were approved at the January meeting, and will be available on the website once they have been printed and signed.

Minutes can also be obtained in printed form upon request to the Secretary/Treasurer.

UPCOMING MEETINGS

The next Board meeting will be held on February 25th, at the home of President Doug Hale, 4 Norway Pines Drive. The meeting will begin at 7:00 p.m.

CONTACT YOUR BOARD

As always, we value your input and support. Please use any of the following options to contact your Board.

Doug Hale, President	826-1653
Darren Schmidt, Vice President	826-2622
Ken Radford, Secretary/Treasurer	826-1977
Rennie McCormick, Director	826-8034
Roxana Martin, Director	826-3842

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