

LLCC HOA 2021-22 Budget Assumptions

1. Due to inflation, which the Consumer Price Index puts at 14% since the last dues increase and which has impacted our operating and personnel costs, monthly Dues are increased \$15 from \$85 to \$100 for full lots, with \$90 deposited into the HOA operating account and \$10 into the reserve account. Half lots are increased \$7.50 from \$42.50 to \$50.00 per month, with \$45 going into HOA operating and \$5 into the reserve account. Increase in Dues is effective November 2021.

The Board intends to adjust Dues annually, at a minimum based on the last year's Consumer Price Index.

1. The *average* **monthly** income from Dues payments: \$123,570 to the operating account and \$13,730 to the reserve account.
2. Inflationary factors from the last 12 months:
 - a. Food & Liquor costs estimated to increase by 5%
 - b. Telecom and Utilities estimated to increase 5%
 - c. Supplies estimated to increase by 5%
 - d. Fuel estimated to increase 10%
 - e. General liability insurance premium estimated to increase 12%. Water portion @25%
 - f. Health insurance premium estimated to increase 14%
 - g. Labor Cost of Living Adjustment 3%
3. The HOA Board of Directors commissioned a Reserve Study which was completed last year and which the Board is currently reviewing prior to adoption. The 2021-22 Reserve Study update is budgeted at \$3,930.
4. Net revenues from recent HOA property sales will be split 80% to HOA and 20% to Water with HOA funds deposited into the HOA reserve account.
5. Revenue forecasts for Café, Golf, Lounge and Restaurant are based on analysis of the last several years' actual performance and are conservative due to the continuing COVID-19 pandemic. No income forecasted for Great Hall Hospitality due to COVID-19.
6. Legal fees estimated \$3,000 per month
7. Maintenance line-item Tree Falling / Trimming estimated \$4K/mo.
8. Payroll expense burden @12% for Social Security, Medicare, Workman's Comp and Unemployment Insurance.
9. Special and capital budgeted projects and equipment proposed by Departments and Committees have been prioritized by the Board for consideration for inclusion in the 2021-2022 budget.
10. Golf fees are increased effective March 1, 2022:
 - Member, Guest and Public weekday and weekend rates increased \$1 per round
 - Member Annual Memberships are increased \$15 to \$590
 - Public Annual Memberships are increased \$15 to \$740
 - Winter Memberships are increased \$10 to \$160
 - Winter daily Member and Public rates increased \$1 per round
 - Punch cards increased \$10
 - Cart rentals increased \$1
 - Member and Public annual cart sheds increased \$10