

2019-20 LLCC Budget Assumptions

1. The average monthly Dues payments @\$115,515/month totaling \$1,386,180/year.
2. No increase in the monthly dues rate is planned for 2019-20. The rate is \$85 per month; the rate structure has \$5 of the \$85 and \$2.50 of the \$42.50 deposited in the Capital Asset Repair Fund monthly as HOA voter approved in October 2018.
Due on the 1st, payment is 30 days net.
3. Capital Asset Repair Fund will be used for the Deck project and other asset repairs as determined.
4. Capital Maintenance budgeted projects from Committee inputs @\$117,000 are funded from Operational savings; Capital Projects budgeted and tracked separately in Quick Books per project.
5. To balance the Water System FY 2019-2020 budget, there will be a rate change of \$3 increase to \$30/month base rate for each metered full lot, \$1 increase to \$16/month for each non-metered lot or locked-out meter lot and \$0.50 increase to \$8 for each non-metered half lot. Excess water usage will continue to be charged at \$2 per 1,000 gallons over the initial 10,000 gallons. Each full lot water bill will include reserve payments of \$5 to the Mainline Replacement Reserve account and \$3 to the Water Capacity Reserve account. Each half lot water bill will include reserve payments of \$2.50 to the Mainline Replacement Reserve account and \$1.50 to the Water Capacity Reserve account.
Due on the 1st, payment is 30 days net.
6. Reserve Study budgeted at \$20,000. Evaluates how much life our assets have remaining and the cost to replace when they wear out. The Study calculates how much money the HOA has to set aside each year to have in Reserves. Determines the amount of unfunded asset needs to be allocated to the Membership.
7. Revenue for Restaurant, Café, Lounge will increase 5%. BOD approved 2020 Golf fee increases proposed by the Greens Committee for Member & Public rates, Adult Punch Cards and Cart Fees. Greens Committee to submit a plan to increase overall Golf revenues 5%.
8. COGS to increase 4%.
9. Labor minimum wage was \$12/hr changing January 1, 2020 to \$13.50/hr.
10. Office labor working on Water is allocated in the Water Budget.
11. Mechanic wages and associated Repairs and Maintenance, Small Tools & Equipment and Supplies transferred from Facilities to Greens.

- 12.** Liability insurance premium to increase 12% (as current year did). \$73,300 to \$82,100. Water portion @25% = \$20,525. Balance @\$61575 spread proportionally across HOA departments.
- 13.** Health insurance premium to increase 10% @\$615/mo. for 6 employees.
- 14.** Janitorial services spread across 6 Departments at \$290 each/mo. Admin, Golf, Café, Restaurant, Lounge and Hospitality (Great Room).
- 15.** LLCC Payroll tax burden @12%, aka, Social Security, Medicare, Workman's Comp and Unemployment Ins.
- 16.** Legal @\$300/hr budgeting 10 hrs/month.
- 17.** Lakes and Parks expenses are under Maintenance.
- 18.** LLCC will continue to pay the credit card fees until further analysis; Members converting to PSN will pay a \$0 convenience fee; walk-in and call-in credit card payments will be assessed \$1 each for Dues and Water payments after PSN is fully operational.
- 19.** Restaurant shut down for annual cleaning January 1 – 14.
- 20.** Café open 3 days/week November – March.