

Dutch Hollow Lake Property Owner's Association
Treasurer's Report
July
2017

Revenue

- Revenues are running \$9,878 above the budgeted amount for the year.
- Assessments are running **\$247 above the budget**
- A total of 1,025 of the 2017 assessments have been paid to date or 88% of the 1,163 lots. We budgeted for a total of 1,025 lots paying by this time and a total of 1,048 lots paying for 2017. Last year at this time 1,039 lot assessments were paid. This year 14 fewer lots have paid the assessment.
- Seasonal Fees \$1,585 below budget.
 - Dock fees \$1,175 below budget
 - Pool passes \$850 below budget
 - Tennis passes \$440 above budget (thanks to pickle ball)We will end significantly under budget this year on these items due to the high water level.
- Daily Fees \$2,322 below budget. Almost all of this difference is due to lower daily camping from property owners.
- Public Fees \$1,156 above budget. Most of this is due to a very large group we had camping for a weekend.
- Permanent Camping Fees \$1,800 above budget. We budgeted that two sites would go unrented. All sites have been rented.
- Advertising Income \$1,165 above the budget. Pam continues doing a good job getting additional advertisers for the Dutchman and Email letter.
- Storage Fees \$1,767 below budget. In the past we normally send out the application for storage of campers by now. This year they will go out in August.
- Rentals \$2,970 above budget. We rented the beach house for a few weeks prior to Memorial Day. Based upon timing, I think the actual number above the budget is closer to \$1,300.
- Interest & Dividends \$1,621 above budget. This is a timing issue and we should end the year on budget.
- Sales \$5,542 above budget. We did not budget for any merchandise sales.
 - Merchandise sales - \$3,709 above budget
 - Food sales - \$1,833 above budget
- To date we have received 95% of the budgeted revenue.

Expenses

- Overall, expenses are under budget by \$19,552 (\$29,981 when lake weed control costs are removed)

The main line items under budget include:

1. Payroll Expense \$5,038 under budget. We had a lot of one-time costs last year associated with the change in the general manager position. I budgeted this line item too high.
2. Payroll Taxes \$6,595 under budget. This is based upon the payroll expense. So, if payroll is too high the taxes will be too high. However, I believe that the budget is not spread correctly this year, and we really are only under budget by \$3,550 when compared the YTD total pay.
3. Service Fees \$1,718 under budget. This is a timing issue and we should end the year on budget.
4. Small Tools/Equipment \$1,222 under budget. This is a timing issue and we should end the year on budget.
5. Professional Fees \$3,654 under budget. In April, we received payment of a large prior year assessment (\$2,045) and the associated legal costs (\$2,995). In May, we collected legal fees associated with a prior assessment (\$2,064). We apply the collection of legal fees associated with those assessments against the current year expense.
6. Utilities \$13,523 under budget. Rains have kept us from pumping.
7. Sales Tax \$963 under budget. This is a timing issue and we should end up on budget on this line item.

Some items to watch that are over budget:

1. Admin/Membership Expenses \$941 over budget. The majority of this relates to having to update our payroll software (\$1,502). We did not budget for this item.
2. Repairs & Maintenance \$733 over budget. We power washed the tennis courts for \$600. This was not in the budget. In addition, we had several small repairs this month.
3. Insurance Fees \$771 over budget. This represents the adjustment in our worker's compensation insurance for the last 2 years.

4. Lake Weed Control \$10,429 over budget. We planned for these expenses to be over budget.
5. Cost of Sales \$4,788 over budget. These reflect the costs associated with the increase sales. If you net the increase in revenues and expenses we have \$754 more in increased revenue over expenses.
6. Special Event Costs \$1,439 over budget. The major of this \$1,400 represents the costs of bands on Memorial Day and the BBQ challenge. These costs were not in the budget. We should discuss if we need to increase the budget next year or find a way to find a way to pay for these costs.

Fund Balances

- Small Project & Repair Fund - We have already approved \$22,050 in projects. We only have \$1,950 left to spend. We should assume we will have a few emergency projects and should not approve any additional projects at this time.
- Capital Project Fund – We have already approved \$34,600 in projects. No other projected have been slated for this year.
- Major Capital Project Fund – We agreed to move \$35,000 out of this fund into the lake weed control fund.
- Lake Weed Control – We have budget \$13,000 for this expense for 2017, carried over \$8,070 from last year and moved \$35,000 from the major capital project fund.

General Comments

- We are behind of last year on assessments compared to last year, and just meeting the budgeted collections for the current year.
- We need to keep in mind the assessments collected over the last several years (budget for 2017 in 1048):

2016	1,057
2015	1,032
2014	1,052
2013	1,047
2012	1,048

Overall, we are in good shape on revenues and expenses.

Submitted by Phil Hunt, Treasurer

