



TUMBLE CREEK

TUMBLE CREEK VILLAGE ASSOCIATION – 2024 BUDGET DISCUSSION

General Fund

TCVA general dues are increasing to \$990/quarter, a \$145/quarter increase from 2023 and a 17% year-over-year increase.

The increase in assessments is almost entirely related to the replenishment of cash to improve the base level of operating cash in the Association and to increase funding of Reserves (75% of increase in the table below). These actions are needed to manage the overall financial health of the Association.

Below is a breakdown of the increase of spend by area:

	Total	\$ Change	% Change
Maintenance & Repair	297	0	0%
Reserve	204	32	22%
Security Patrol	181	13	9%
Admin & Contract Services	131	(4)	-2%
Operating Cash	77	77	53%
Utilities	71	19	13%
General Expenses	26	7	5%
Forestry/Owner Events	4	0	0%
Total	\$ 990	\$ 145	100%

Quarterly assessments are due on the 1st of January, April, July and October. Payments are considered late on the 25th of the month of assessment billing.

Total expenses are increasing \$158K from the 2023 forecast; \$105K from operating expenses and \$54K from reserve contributions.

Operating Expenses: the \$105K increase from 2023 forecast (\$19K increase from 2023 budget) in operating expenses are being driven by the following changes:

- General expenses are increasing \$7K. This is primarily related to adding new lockbox functionality to the operating account to improve cash collections accuracy, reduce fraud risk, and improve overall efficiency of collections to scale with continued growth. The remaining \$4K of increase is distributed across a variety of areas.
- Repairs and maintenance expenses are increasing \$81K. This is due to \$44K increase in landscape maintenance due to the addition of Domerie Park and the related recurring maintenance, \$16K for snow removal to assume a moderate snow year with the increased rates from the Association's snow removal vendor, and \$15K of landscaping installation to improve landscaping located at the Caretaker's Cabin and a general annual allocation.

- Forestry/owner events are increasing \$3K, this is assuming spend for owner events will be similar to the 2023 budget.
- Utilities are increasing \$13K. This is related to the addition of Domerie Park and general increases to utility rates/usage.

Reserve expense: reserve expense is increasing \$54K from 2023 forecast. This is due to additional contributions to future year expenditures to increase funding of Reserves.

- 2024 expenses are from the reserve study and listed by item within the budget packet

The Association at year-end 2024 has a month of operating expenses (a healthy target is to build to 3x monthly expense) in operating cash and more than adequate reserve cash to cover anticipated expenses for 2024.

Cabins

	Quarterly Assessment		
	Operations	Reserve	Total
Common	169	35	\$ 204
Improved	705	-	\$ 705
Carbarns	176	121	\$ 297

Quarterly assessments are due on the 1st of January, April, July and October. Payments are considered late on the 25th of the month of assessment billing.

Cabin dues are increasing at the following rates:

Common – 0%, remains at \$204/quarter. Assessments are adequate to cover expenses allocated to common and replenish overall operating cash levels.

Improved – 20%, increasing to \$705/quarter. Increases in expenses including snow removal and landscaping as well as replenishing operating cash levels are driving assessment increases.

Carbarn – 14%, increase to 297/quarter. Increases in snow removal expense as well as replenishing operating cash levels are driving assessment increases.

Total expenses are increasing \$19K from 2023 forecast; operating expenses are increasing \$15K and reserve contributions are increasing \$4K.

The \$15K increase in operating expenses (\$4K from 2023 budget) is primarily due to the following:

- Repairs and maintenance expenses are increasing \$14K. This is primarily due to a \$12K increase in snow removal to assume a moderate snow year.

Reserve contributions are increasing \$4K from 2023 forecast. This is due to additional contributions to cover 2024 reserve study items as well as to increase funding of Reserves for future years.

- 2024 expenses are from the reserve study and listed by item within the budget packet

The Cabins at year-end 2024 has just over a month of operating expenses in operating cash (a healthy target is to build to 3x monthly expense) and more than adequate reserve cash to cover anticipated expenses for 2024.

Tumble Creek Village Association General

2024 Budget

Operating

	2023 Budget	2023 Forecast	2024 Budget	Incr (decr) from 2023 Forecast	% Variance to 2023 Forecast
Quarterly Assessment	845	845	990	145	17.2%
Income					
Assessment - Membership	1,385,800	1,373,940	1,643,400	269,460	19.6%
Interest Income	-	4,393	-	(4,393)	-100.0%
Late Fee	-	5,532	-	(5,532)	-100.0%
Lien Filing Fees	-	750	-	(750)	-100.0%
Design Fees	150,000	66,790	110,000	43,210	64.7%
Other Income	-	25	-	(25)	-100.0%
Other - Transponder Rental	4,000	3,600	-	(3,600)	-100.0%
	<u>1,539,800</u>	<u>1,455,030</u>	<u>1,753,400</u>	<u>298,370</u>	<u>20.5%</u>
Expense					
Admin & Contract Services					
Management Fee	128,320	128,320	175,000	46,680	36.4%
DRC Personnel Expense	85,000	133,997	81,000	(52,997)	-39.6%
Caretakers Cabin - Patrol Expense	278,200	249,400	300,000	50,600	20.3%
Caretakers Cabin Personnel Expense	-	9,954	-	(9,954)	-100.0%
Contract Administration Fee*	94,808	53,600	-	(53,600)	-100.0%
Professional Services	19,000	17,800	20,000	2,200	12.4%
Professional Svcs - Website	2,000	2,000	2,000	-	0.0%
Legal Services	2,500	4,450	4,500	50	1.1%
DRC Professional Services	40,000	24,000	33,000	9,000	37.5%
DRC Expense	1,000	1,840	3,030	1,190	64.7%
Bad Debt	-	-	8,217	8,217	0.0%
	<u>650,828</u>	<u>625,360</u>	<u>626,747</u>	<u>1,387</u>	<u>0.2%</u>
General Expenses					
Insurance	14,000	17,812	18,700	888	5.0%
Bank Charges	500	3,911	7,000	3,089	79.0%
Collection Expense	-	1,858	1,250	(608)	-32.7%
Meeting Expense	1,000	162	1,450	1,288	797.2%
Supplies - Operating	11,000	10,828	11,000	172	1.6%
Tax - B&O	2,300	1,070	1,925	856	80.0%
Tax - Property	1,000	-	-	-	0.0%
Income Tax	-	380	500	120	31.6%
Other Expense	1,000	(1)	1,000	1,001	-125100.0%
	<u>30,800</u>	<u>36,020</u>	<u>42,825</u>	<u>6,805</u>	<u>18.9%</u>

Tumble Creek Village Association General

2024 Budget

Operating

	2023 Budget	2023 Forecast	2024 Budget	Incr (decr) from 2023 Forecast	% Variance to 2023 Forecast
Maintenance & Repair					
Hazard Tree Removal	10,000	2,843	10,000	7,157	251.7%
Fire System	750	1,147	1,200	53	4.6%
General Repairs & Maintenance	8,000	20,000	11,000	(9,000)	-45.0%
R & M Gates, Access, Camera	13,000	15,320	15,500	180	1.2%
Landscape Maintenance	50,000	47,600	92,000	44,400	93.3%
Lake Maintenance	3,000	4,997	4,500	(497)	-9.9%
Parks Paths & Trails	10,000	2,154	7,500	5,346	248.2%
Landscape Installation	8,000	-	15,000	15,000	0.0%
Snow Removal	357,000	281,400	297,100	15,700	5.6%
Street & Pathway Maintenance	32,000	36,510	37,000	490	1.3%
Sign Maintenance	1,200	443	2,500	2,057	464.3%
	<u>492,950</u>	<u>412,416</u>	<u>493,300</u>	<u>80,884</u>	<u>19.6%</u>
Forestry/Owner Events					
Fire Prevention/Fuel Reduction	-	92	150	58	63.0%
Owner Events/Decorations	6,500	4,000	6,500	2,500	62.5%
	<u>6,500</u>	<u>4,092</u>	<u>6,650</u>	<u>2,558</u>	<u>62.5%</u>
Utilities					
Electricity	44,000	52,600	58,000	5,400	10.3%
Water and Sewer	30,000	42,900	46,000	3,100	7.2%
Yard Waste Disposal	12,000	7,500	12,000	4,500	60.0%
Telephone Service	1,000	1,800	1,900	100	5.6%
	<u>87,000</u>	<u>104,801</u>	<u>117,900</u>	<u>13,099</u>	<u>12.5%</u>
Contingency & Reserve					
Reserves Contribution	285,062	285,062	338,688	53,626	18.8%
	<u>285,062</u>	<u>285,062</u>	<u>338,688</u>	<u>53,626</u>	<u>18.8%</u>
TOTAL EXPENSES	<u>1,553,140</u>	<u>1,467,751</u>	<u>1,626,110</u>	<u>158,360</u>	<u>10.8%</u>
Excess/(Deficit) of Revenues over Expenses	<u>(13,340)</u>	<u>(12,721)</u>	<u>127,290</u>	<u>140,010</u>	<u>-1100.7%</u>

Accumulated Earnings		
Balance as of the end of the year	824	128,114
Average monthly expense	122,313	135,509
# of months expense	0.0	0.9

* The Contract Administration fee will not be charged under the Management agreement in 2024 for recurring operating contracts such as snow removal and landscaping. In the event a non-recurring need comes up that requires additional resources, this fee may be charged. No non-recurring needs are identified in the 2024 budget.

Tumble Creek Village Association
2024 Budget
General Reserves

	2023 Budget	2023 Forecast	2024 Budget	Incr (decr) from 2023 Forecast	% Variance to 2023 Forecast
Income					
Interest Income TCVA	-	24,560	41,331	16,771	68.3%
Reserve Contribution TCVA (1)	285,062	246,669	196,442	(50,227)	-20.4%
	<u>285,062</u>	<u>271,229</u>	<u>237,773</u>	<u>(33,456)</u>	<u>-12.3%</u>
Expense					
Maintenance & Repair					
Reserves Lake Maintenance	5,051	3,691	9,115	5,424	147.0%
Gen Repair and Main. - Reserve	67,240	-	38,190	38,190	0.0%
R & M Reserves Gates	-	-	25,259	25,259	0.0%
R&M Computers	-	2,461	-	(2,461)	-100.0%
Grounds Maintenance - Reserves	-	-	15,156	15,156	0.0%
R & M Street Lights	7,602	-	-	-	0.0%
Parks, Paths - Reserves	-	-	5,428	5,428	0.0%
Street Maintenance-Reserves	274,783	257,851	-	(257,851)	-100.0%
Sign Maintenance Reserves	25,257	7,227	15,155	7,928	109.7%
				-	0.0%
	<u>379,933</u>	<u>271,229</u>	<u>108,303</u>	<u>(162,927)</u>	<u>-60.1%</u>
Forestry					
Forest Health Reserves	50,513	-	60,620	60,620	0.0%
	<u>50,513</u>	<u>-</u>	<u>60,620</u>	<u>60,620</u>	<u>0.0%</u>
TOTAL EXPENSES	430,446	271,229	168,923	(102,307)	-37.7%
Excess/(Deficit) of Revenues over Expenses	<u>(145,384)</u>	<u>0</u>	<u>68,850</u>	<u>68,850</u>	<u>57375266.4%</u>

(1) Unspent Reserves

The accounting rules for revenue recognition for Reserve Fund changed in 2020. Under the new rules, the unspent reserve funds are shown on the balance sheet and just the funds needed to pay for the current year expenditures are transferred from the balance sheet to the Reserve income statement, and that income statement will show \$0 net income. Below is a summary of the projected balance of unspent Reserve funds that show on the balance sheet:

Projected 01/01/2024 balance of unspent reserve funds ("Contract Liabilities")	\$ 1,602,800
Projected 2024 Reserve contributions	338,688
Projected 2024 Reserve expenditures funded from unspent Reserves	<u>(196,442)</u>
Projected 12/31/2024 balance of unspent reserve funds ("Contract Liabilities")	<u>\$ 1,745,046</u>

**Projected 2024 Expenditures per Reserve Study
General Fund**

Lake

Ebara Submersible Sewage Pump 25 hp 9,115 Scatter Creek stream

Repairs & Maintenance

Exterior Wood R/R	8,588	Tumble Creek Caretaker Cottage
Access Camera System	4,041	Tumble Creek Caretaker Cottage
Fire System R/R	5,052	Tumble Creek Caretaker Cottage
Tumble Creek Bridge R/R	7,577	Structural
Electrical Pedestal	2,829	Electrical
Monument Sign	<u>10,103</u>	Weekley Park

38,190

Gates

Gate R&R	5,052	Tumble Creek Caretaker Cottage
Gate Access System	<u>20,207</u>	Tumble Creek Caretaker Cottage

25,259

Landscaping

Paintbrush Lake R/R	5,052	Division 15/16- Landscape
Scatter Creek 9 Vegetation R&R	5,052	Streams
Big Bug Creek 7 Vegetation R&R	<u>5,052</u>	Streams

15,156

Parks

Court Resurface 5,428 Weekley Park

Asphalt Seal Coat	10,002	GOAT CREEK LANE
Asphalt Seal Coat	5,873	GOLD FOUNTAIN LANE
Asphalt Seal Coat	3,289	LAST EAGLE LANE
Asphalt Seal Coat	2,314	POLALLIE LANE
Asphalt Seal Coat	2,597	QUEENS LOOP
Asphalt Seal Coat	8,275	QUICK CREEK LANE
Asphalt Seal Coat	3,767	ROCKY RUN LOOP
Asphalt Seal Coat	4,895	RUSHING WATER LANE
Asphalt Seal Coat	6,100	WHITE STAR LANE
Asphalt Seal Coat	6,583	TIRED CREEK LANE
Repairs	15155	Asphalt Surfaces

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Signs

Street Signs 15,155 Signage

Forest Health

Forestry/Firewise 60,620 Forest Health

Grand Total

168,923

Tumble Creek Village Association

Assessment Breakdown Schedule / Mo.

2024 Budget

Cabins

	2023 Budget	2023 Forecast	2024 Budget	Common 47	Improved 42	Carbarns 32	Total 47	Incr (decr) from 2023 Forecast	% Variance to 2023 Forecast
Assessment Lot	\$ 68			68	68	-			0.0%
Assessment Cabin	\$ 196				235	99			19.9%
Total	\$ 87			68	303	99			13.8%
Income									
Assessment - Members - TC Cab	156,827	149,960	194,808	38,352	118,440	38,016	194,808	44,848	29.9%
Assessment - Special Assessment	-	26,555	-						
Subtotal Income	156,827	176,515	194,808	38,352	118,440	38,016	194,808	18,293	10.4%
				19.7%	60.8%	19.5%			
Expense									
Admin & Contract Services									
Management Fee	9,904	9,904	16,800	4,200	12,600	-	16,800	6,896	69.6%
Contract Administration Fee*	11,729	10,500	-	-	-	-	-	(10,500)	-100.0%
Professional Services	900	900	1,500	150	-	1,350	1,500	600	66.7%
	22,533	21,304	18,300	4,350	12,600	1,350	18,300	(3,004)	-14.1%
General Expenses									
Insurance Premiums - Car Barns	4,500	2,400	4,500	-	-	4,500	4,500	2,100	87.5%
	4,500	2,400	4,500	-	-	4,500	4,500	2,100	87.5%
Maintenance & Repair									
Gen Repairs/Maintenance	1,500	1,512	1,500	-	-	1,500	1,500	(12)	-0.8%
Grounds/Landsc Maintenance- Improved	49,194	62,700	63,000	12,600	50,400		63,000	300	0.5%
Lake Expense	1,500	-	1,500	1,500	-		1,500	1,500	0.0%
Snow Removal	27,500	21,149	33,000		29,700	3,300	33,000	11,851	56.0%
	79,694	85,360	99,000	14,100	80,100	4,800	99,000	13,640	16.0%
Owner Events									
Owner Events	1,750	-	1,750	1,750			1,750	1,750	0.0%
	1,750	-	1,750	1,750	-	-	1,750	1,750	0.0%
Utilities									
Electricity -Car Barns	2,500	2,498	2,600	200	-	2,400	2,600	102	4.1%
Fire Pit Utilities	250	480	500	500			500	20	4.1%
Water & Sewer	7,200	7,000	7,210	778	-	6,432	7,210	210	3.0%
Waste Removal/Recycling	3,000	8,000	8,400		8,400		8,400	400	5.0%
	12,950	17,978	18,710	1,478	8,400	8,832	18,710	732	4.1%
Contingency & Reserve									
Contingency	17,000	-	-	-	-		-	-	0.0%
Reserves Contribution	18,400	18,400	22,080	6,580	-	15,500	22,080	3,680	20.0%
Reserves Contribution - Common	-	-	-	-			-	-	0.0%
Contingency & Reserve	35,400	18,400	22,080	6,580	-	15,500	22,080	3,680	20.0%
TOTAL EXPENSES	156,827	145,442	164,340	28,258	101,100	34,982	164,340	18,898	13.0%
				17%	62%	21%	100%		
Excess/(Deficit) of Revenues over Expenses	-	31,073	30,468	10,094	17,340	3,034	30,468	(605)	-1.9%

Accumulated Earnings		
Balance at end of year	(15,739)	14,730
Average monthly expense	12,120	13,695
# of months expense in balance	(1.3)	1.1

* The Contract Administration fee will not be charged under the Management agreement in 2024 for recurring operating contracts such as snow removal and landscaping. In the event a non-recurring need comes up that requires additional resources, this fee may be charged. No non-recurring needs are identified in the 2024 budget.

Tumble Creek Village Association
2024 Budget
Reserves Cabins

Description	2023 Budget	2023 Forecast	2024 Budget	Incr (decr) from 2023 Forecast	% Variance to 2023 Forecast
Income					
Interest Income Cabins	-	62	-	(62)	-100.0%
Reserve Income Cabins	18,400	-	14,882	14,882	0.0%
	18,400	62	14,882	14,820	23891.6%
Expense					
Maintenance & Repair					
R&M Reserve Cabins	6,580	-	14,882	14,882	0.0%
	6,580	-	14,882	14,882	0.0%
TOTAL EXPENSES	6,580	-	14,882	14,882	0.0%
Excess/(Deficit) of Revenues over Expenses	11,820	62	-	(62)	-100.0%

(1) Unspent Reserves

The accounting rules for revenue recognition for Reserve Fund changed in 2020. Under the new rules, the unspent reserve funds are shown on the balance sheet and just the funds needed to pay for the current year expenditures are transferred from the balance sheet to the Reserve income statement, and that income statement will show \$0 net income. Below is a summary of the projected balance of unspent Reserve funds that show on the balance sheet:

Projected 01/01/2024 balance of unspent reserve funds ("Contract Liabilities")	\$ 149,000
Projected 2024 Reserve contributions	22,080
Projected 2024 Reserve expenditures funded from the unspent Reserves	(14,882)
Projected 12/31/2024 balance of unspent reserve funds ("Contract Liabilities")	\$ 156,198

Projected 2024 Reserve Expenditures per Reserve Study
Cabins Reserve

	Amount	Element
Fire Systems Barns	5,062	Carbarns
Lake aerator	2,530	Common
Landscape Open Spaces	2,025	Common
Fire pit	2,025	Common
Asphalt seal	3,240	Carbarns
Total	14,882	