



TRAILHEAD TOWNHOMES III – 2024 BUDGET DISCUSSION

Trailhead Townhomes’ assessments are increasing to \$530/month, a \$230 increase (77%).

Below is the break down of how individual dues are being spent and where increases are occurring from 2023:

	Total	Change
Admin & Contract Services	119	20
General Expenses	17	8
Maintenance & Repairs	293	69
Reserve	15	15
Operating Cash	86	118
Total	\$ 530	\$ 230

As you’ll see from above, the largest increase is related to improving overall cash health. A good target for the operating cash balance is to have 3x monthly expenses held on average. This budget increases the ratio to 2.3 by the end of 2024.

Maintenance and repairs is increasing as a result of additional snow removal expense based on an assumed moderate snow year vs. the lighter 2023 year, and additional landscaping expense due to rising vendor costs.

Admin and contract services is increasing because of the Reserve Study planned for next year and tax preparation.

Lastly, the Reserve contribution is included in 2024 to continue setting aside funds to meet future improvement/maintenance needs.

**Trailhead Townhomes III
2024 Budget**

	2023 Budget	2023 Forecast	2024 Budget	Incr (decr) from 2023 Forecast	% Variance to 2023 Forecast	Variance to 2023 Budget
Homes	14	14	14	-	0.0%	
Monthly	300	300	530	230	76.6%	76.6%
Income						
Assessment - Membership	50,400	50,400	89,000	38,600	76.6%	76.6%
Interest Income	0	38	0	(38)	-100.0%	0.0%
Late Fees	0	150	0	(150)	-100.0%	0
	50,400	50,588	89,000	38,412	75.9%	76.6%
EXPENSES						
Admin & Contract Services						
Management Fee	4,568	4,567	6,325	1,758	38.5%	38.5%
Contract Administration Fee*	5,500	5,688	0	(5,688)	-100.0%	-100.0%
Professional Services	350	0	5,000	5,000	0.0%	1328.6%
Professional Svcs - Website	200	0	206	206	0.0%	3.0%
Legal Services	1,250	6,500	8,500	2,000	30.8%	5.8
	11,868	16,755	20,031	3,276	19.6%	68.8%
General Expenses						
Insurance Premiums	2,100	1,547	1,700	153	9.9%	-19.0%
Bank Fees	0	0	240	240	0.0%	0.0%
Supplies - Operating	350	0	350	350	0.0%	0.0%
Licenses & Permits	0	20	60	40	200.0%	0.0%
Other General Expense	0	0	500	500	0.0%	0.0%
	2,450	1,567	2,850	1,283	81.9%	16.3%
Maintenance & Repair						
General Repairs & Maintenance	1,100	0	1,100	1,100	0.0%	0.0%
Grounds/ Landscape Maintenance	10,999	15,608	19,938	4,331	27.7%	81.3%
Snow Removal	16,000	22,000	28,160	6,160	28.0%	76.0%
	28,099	37,607	49,198	11,591	30.8%	75.1%
Contingency & Reserve						
Contingency	5,483	0	0	0	0.0%	-100.0%
Reserve Contribution	2,500	0	2,500	2,500	0.0%	0.0%
	7,983	0	2,500	2,500	0.0%	-68.7%
TOTAL EXPENSES	50,400	55,929	74,579	18,650	33.3%	
Excess/(Deficit) of Revenues over Expenses	0	(5,341)	14,421	19,762	-370.0%	
Accumulated Surplus (deficit)		60	14,481			
Expense per month		4,661	6,215			
Months in Reserves		0.0	2.3			

* 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.