

Proposed 2021 Budget

The Proposed 2021 Budget will be presented to the HCA Board of Directors at their Meeting on October 27, 2020 – for discussion only.

Comments / Suggestions from Members will be received by Staff and the Board.

Final approval of the 2021 Budget will occur at the November Board Meeting.

NOTE: The Board Meeting on October 27th. will be a “Zoom” Meeting – and not an actual Meeting in the Multi-Purpose Room due to COVID-19 concerns. More details will be made available on how Members can contact the Board – utilizing this “Zoom” process.

Please contact Executive Director, Dave Grove dgrove@harbisoncommunity.com or 803-781-2281 if you have questions about the Proposed Budget.

HARBISON COMMUNITY ASSOCIATION

BASIS OF 2021 CALCULATIONS

The 2021 budget calculations are based upon the following information.

\$255,073,525	Value of 1997 single family residences
155,973,766	Value of apartment complexes, quadraplexes and assisted living facilities
<u>278,884,981</u>	Value of retail/commercial (One-Half of actual value used to calculate proportion of HCA assessment)
\$689,932,272	Total value of Harbison property as used for the HOA assessment calculations.

2021 PROJECTED EXPENSE AND ASSESSMENT CALCULATIONS

\$ 2,416,569	Expenses as requested for the budget
\$ (43,500)	Less Projected Revenue from Adlerian lease & utilities
\$ (81,450)	Less Projected Revenue from operation of the Recreation Center
<u>\$ (82,000)</u>	Less Projected Other Revenue (fees & misc)
\$ 2,209,619	Amount needed from assessments to meet projected expenses for 2021
\$ 816,914	Amount to be assessed to single family residences
\$ 499,531	Amount to be assessed to apartment complexes
<u>\$ 893,174</u>	Amount to be assessed to retail/commercial
\$ 2,209,619	Matches amount needed as shown above

2021 PROPOSED ASSESSMENT RATES

- 0.0019 Proposed decimal assessment rate per dollar of assessed value of residential
- \$175 Proposed proportionate fee for single family residences

2021 assessment formula for single family residences is as follows:
 $0.0019 \times \text{appraised value} + \$175 \text{ proportionate fee}$

- 0.0038 Proposed decimal assessment rate per dollar of assessed value of apartments
- 0.0019 Proposed decimal assessment rate per dollar of assessed value of commercial

The calculations below show about what the actual billing calculations will produce in revenue if all units pay..
The results are hypothetical only, but use the source numbers to determine revenue from each category.

\$834,115	Computed income from single family residences
\$592,700	Computed income from apartments
<u>\$1,059,763</u>	Computed income from retail/commercial (whole value x assessment rate)
\$2,486,578	Projected total income if all units paid as set above

2021 PROJECTED BUDGET SURPLUS/DEFICIT

\$2,486,578	Yearly income for all units billed as set above
<u>\$ 2,209,619</u>	Amount needed to cover association's projected expenses
\$276,959	Excess (shortfall) caused by rounding factors

Budget Inc & Exp yr comparison YTD projections for Annual Budget

	Budget 2021	Projected 2020	Budget 2020	\$ Change Budget 2021 to Projected 2020	% Change Budget 2021 to Projected 2020
Assessment Income Total	2,486,578	2,448,440	2,448,458	38,138	2%
Owner Fee & Penalty Income Total	26,000	32,297	30,000	(6,297)	-19%
NSF Income Total	200	105	350	95	90%
Lease Income Total	43,500	43,489	43,500	11	0%
Interest Income Total	53,000	53,431	66,500	(431)	-1%
Membership Income Total	18,500	18,426	72,600	74	0%
Program Income Total	60,950	30,215	128,875	30,735	102%
Facility & Equip Rental Income Total	2,000	5,365	17,000	(3,365)	-63%
Concession & Vending Machine Total	-	-	-	-	0%
Other Miscellaneous Income Total	2,800	2,821	8,000	(21)	-1%
TOTAL INCOME	2,693,528	2,634,590	2,815,283	58,938	2%
Payroll - Wages & Bonuses Total	898,574	789,295	1,159,050	109,279	14%
Payroll Taxes - Employer Total	75,100	69,784	95,700	5,316	8%
Employee Group Benefits Total	130,620	101,723	165,000	28,897	28%
Add'l Employee Benefits Total	3,864	3,863	3,800	1	0%
Payroll Processing Expense Total	4,000	3,969	5,000	31	1%
Employee Business Expenses Total	30,170	18,789	21,750	11,381	61%
Board Meeting Expenses Total	1,500	1,325	5,900	175	13%
Conventions & Travel Total	1,700	1,911	1,900	(211)	-11%
Other Reimbursements Total	4,850	4,061	9,270	789	19%
TOTAL PERSONNEL EXPENSES	1,150,378	994,720	1,467,370	155,658	16%
Professional Services Total	41,050	31,803	46,600	9,247	29%
Collection & Lien Expense Total	30,000	10,480	30,000	19,520	186%
Management Fees Total	-	-	-	-	0%
Employment Expenses Total	2,567	1,170	7,700	1,397	119%
Bank Charges Total	6,750	6,750	9,000	(0)	0%
Insurance Expenses Total	262,500	246,489	223,500	16,011	6%
TOTAL ADMIN EXPENSES	342,867	296,693	316,800	46,174	16%
Contract Services Total	42,660	38,771	62,680	3,889	10%
Office & Operating Supplies Total	30,500	51,456	36,250	(20,956)	-41%
Utilities Total	144,000	121,683	174,000	22,317	18%
Telephone & Internet Total	12,000	10,555	12,000	1,445	14%
Security Monitoring Service Total	4,659	1,283	1,100	3,376	263%
Postage & Printing Total	24,200	19,185	24,000	5,015	26%
Dues & Subscriptions Total	975	1,289	850	(314)	-24%
Rent & Lease Expenses Total	13,728	12,480	21,000	1,248	10%
Bldg & Grounds Maintenance Total	354,400	476,180	278,552	(121,780)	-26%
Technology Maintenance Total	33,752	48,697	40,000	(14,945)	-31%
Other Operating Expenses Total	26,150	5,586	52,550	20,564	368%
Bad Debts & Write-offs Total	42,500	29,434	20,000	13,066	44%
Depreciation Expense Total	147,000	143,906	159,000	3,094	2%
Taxes & Other Fees Total	1,800	1,691	2,600	109	6%
Miscellaneous Expenses Total	12,000	15,857	4,650	(3,857)	-24%
Reserve Contributions Total	33,000	(112,835)	140,000	145,835	-129%
TOTAL OPERATING EXPENSES	923,324	865,216	1,029,232		
TOTAL EXPENSES	2,416,569	2,156,629	2,813,402	259,940	12%
NET INCOME	276,959	477,961	1,881	(201,002)	-42%

Major - Projected Expenses included in 2021 Budget

Maintenance

1. Gas -----	\$ 16,220.
2. Oil-----	1,950.
3. Tires -----	3,000.
4. Bridges- Repair-----	3,000.
5. Woodcross Lake Treatment (algae)-----	7,200.
6. Crossbow Drive Property – maintenance -----	2,000.
7. Paint Tunnels -----	1,500.
8. Picnic Tables / Benches - new-----	1,250.
9. Backflow test-----	1,000.
10. Small Tools Replacement -----	2,000.
11. Vehicle Mechanical Equipment (repairs) -----	4,800.
12. Landscape of Entrances -----	20,000.
13. Personal Protective Gear -----	1,900.
14. Marking of Trails with Signs -----	2,000.
15. HCA Logo – Shirts / Jackets -----	1,900.
16. Adlerian Maintenance -----	2,000.
17. Used Golf Cart for Security/Safety -----	3,000.
18. Used Pick-up Truck for Covenants (sell oldest P/U Truck) -----	7,000.
19. Contractors:	
Tree Removal -----	60,000.
Archers Dam Maintenance-----	7,750.
Trail Maintenance (concrete, blowing, limb removal)-----	75,000.
Common Areas Maintenance / Upkeep -----	24,000.
Debris Removal (dumpster & landfill costs, street pick-ups)---	25,000.
Woodcross Lake – Tree Removal on Dam; Aerators & Fountain Added; Shoreline Improvements -----	85,000.
20. Community Center Bldg. Maintenance -----	12,000.
21. Playgrounds (Mulch/new Equipment) -----	6,900.

Administration

22. IT Maintenance / new Server, new PC / Printer & Lap Top PC --- --	33,752.
23. Custodial Supplies -----	9,300.
24. Safety / Security Supplies -----	500.
25. Copiers (2) Lease -----	18,000.
26. Insurance Policies (11 not including Employee Benefits)-----	262,500.
27. Delinquent Collection (Liens/Judgments/Certified letters)-----	30,000.
28. Book Club expenses-----	600.
29. Holiday Decorations-----	1,200.

30. Quarterly Employee Meetings-----	900.
31. August Maintenance Closing expenses-----	1,000.
32. Law Enforcement Meetings (2)-----	400.
33. Thanksgiving Lunch-----	475.
34. Public Relations / Marketing of HCA-----	2,200.
35. Board meetings (12)-----	1,500.
36. Annual Meeting of Members / Conferences-----	500.
37. Postage, Mailing, Printing -----	23,120.
38. Election Newsletter -----	1,080.
39. Professional Services:	
Legal -----	30,000.
CPA -----	7,050.
Architect -----	2,000.
Engineer (Dam) -----	2,000.
40. Employee Hiring Expense (Drug Test, SLED, Random Testing)	
Recruiting, Advertising -----	2,567.
41. Employee Health Coverage (80% of Premium) -----	88,000.
42. Other Employee Benefits (Life, Vision, Dental, LTD, STD) -----	20,620.
43. Payroll (Wages) 13 Full Time, 11+ Part Time -----	854,399.
Program Instructors -----	25,000.
Camp Counselors -----	17,000.
44. Utilities -----	144,000.
45. Telephone, Internet, TVs, (bundled with Spectrum) -----	12,000.
46. Security / Fire Alarm Monitoring -----	4,659.
47. Conventions / Travel -----	1,700.
48. Reserve Contributions -----	33,000.
49. Depreciation -----	147,000.

Aquatics, Athletics, Programs:

50. Tennis Instructor -----	3,000.
51. Sports Equipment (uniforms, balls, nets, T-Ball equipment)-----	
trophies, hats, T-Shirts, soccer balls, etc) ---	4,000.
52. Employee Staff Shirts (Coaches and Counselors)-----	500.
53. Summer Camp Expenses (snacks, craft supplies, games, trips)-----	1,500.
54. Pool:	
a. Salt -----	2,880.
b. CO2 -----	7,000.
c. Pool Chemicals -----	5,900.
d. American Red Cross - Certifications -----	2,000.
e. E-Med - AED Mgmt. -----	150.
f. DHEC - Pool -----	300.
g. Lifeguard Instructor -----	400.
h. Shirts, swim suits (Staff) -----	600.

i. Aquatic supplies (back board, life jackets, first aid, etc.)-----	3,200.
j. Water Exercise Equipment (noodles, weights, dumbbells)---	650.
k. Summer Swim Team (suits, caps, t-shirts, trophies)-----	2,500.
l. Swim Team Coach -----	8,000.
m. Spa Salt Cell-----	3,500.
n. Spa Jet Motors -----	1,000.
55. Programs:	
a. Halloween Treat @ Lake & Easter Egg Hunt - -----	750.
b. Annual Members Picnic -----	7,000.
c. Senior Xmas Dinner -----	2,500.
d. Senior supplies -----	500.
e. Soul Line Instructor -----	800.
56. Construct 30'x60' outdoor Pickleball / Basketball Court -----	25,000.