



The 2009 “Budget” Wrangler

December 15, 2008

2008 Budget

The Ranch commissioned Frank Sassolino, CPA to perform an audit of the 2007 HOA financials. The final Financial Statements and the Independent Auditors’ Report and its accompanying Auditor’s letter were sent to the Board of Directors and Members for the year ending December 31, 2007. They have been posted on the Ranch at Roaring Fork and CPMG websites.

The Board of Directors has two new Board members (Dennis Reynolds and Paul Schlauch). The results for the Venteroni Homeowner Survey, the Borne Engineering Reserve Study and the 2007 Audit report from Frank Sassolino are ready to assist in preparing the 2009 budget. The Board of Directors began the budget process in September and the 2009 HOA Budget was approved by the Board of Directors at the December 1st meeting.

The 2009 Budget will be posted on the Ranch and CPMG websites.

Budget Summary

For 2009 we will maintain the current staff level and continue to strive to provide a consistent level of care for our aging infrastructure.

The monthly assessments are summarized below:

	2007	(+-)	2008	(+-)	2009
Common Dues	\$149.00	\$17.00	\$166.00	\$ 3.00	\$ 169.00
Common Reserves	\$40.00	\$10.00	\$50.00	\$ -	\$ 50.00
Golf	\$17.00	\$0.00	\$17.00	\$ (4.00)	\$ 13.00
WWTP	\$35.00	\$2.00	\$37.00	\$ 3.00	\$ 40.00
Waterways Special Assessment	\$10.00	\$0.00	\$10.00	\$ -	\$ 10.00
Total HOA dues + Special Assessment (net)	\$251.00	\$29.00	\$280.00	\$ 2.00	\$ 282.00

	2007	(+-)	2008	(+-)	2009
Condo Dues	\$198.00	\$0.00	\$198.00	\$ 14.00	\$ 212.00
Condo Reserves	\$20.00	\$10.00	\$30.00	\$ -	\$ 30.00
Total Condo Owner + HOA dues	\$469.00	\$39.00	\$508.00	\$ 16.00	\$ 524.00
Condo Special Assessment	\$0.00	\$600.00	\$600.00	\$ -	\$ -
Sewer Loan	\$32.14	\$0.00	\$32.14	\$ -	\$ 32.14
Homeowner w/ Sewer	\$283.14	\$29.00	\$312.14	\$ 2.00	\$ 314.14
Total Condo w/ Sewer	\$501.14	\$39.00	\$540.14	\$ 16.00	\$ 556.14
Horse Fees	\$100.00	\$25.00	\$125.00	\$ 6.00	\$ 131.00
Hay	\$350.00	\$50.00	\$400.00	\$ 20.00	\$ 420.00

Common Operations

The 2009 budget increased by 1% compared to 2008 due to labor costs, the rising cost for goods and services, such as accounting, energy, fees, testing and repairs. Therefore, Common Operating dues will be increased \$2 per month.

Common Reserve Fund

Borne Engineering conducted a major maintenance reserve study for the Homeowners Association. This tool will assist this Board and future Boards of Directors in the planning and budgeting of major maintenance projects. The Board has not increased the monthly fees for the homeowners for 2009.

The Board has approved reserve spending for:

- The repair of the tennis and playground amenities in the spring on 2009
- Legal fees to begin to prepare for the lawsuit in reference to the County Road 100 Fire
- Capital equipment purchases of a dump truck, wood chipper, mini excavator and a 4x4 utility vehicle have been authorized to assist the staff in their daily and special project responsibilities

Golf Operations

Tom Vail and staff did an excellent job managing the course again this year. Due to anticipated revenues we have reduced the owner contribution \$4 per month.

Waste Water Treatment Plant

The WWTP has operated this year meeting the Colorado Department of Public Health and Environment (CDPH) standards. This year there has been additional maintenance and testing requirements. Due to these increases an additional \$3 per month will be assessed to each property owner.

There will be a net \$2 per month increase for 2008 due to CDPH testing, increase landfill costs and equipment requirements.

Condo Operations

Condominium dues will be increased by \$14 per month (7%) over 2008. This is due in part to the multi-year bulk cable TV contract. An individual residential homeowner pays \$66 per month and the condominium owners will now pay \$37.51 per month, up \$8.23 (+24%).

After the spring common area fire we had an assessment of the insurance coverage for the association and each condominium unit owner. The replacement insurance value was increased from \$8 to \$16 million.

To keep the insurance premium as low as possible, the deductible per incident was increased from \$5,000 to \$10,000. The annual premium will increase by \$ 4,000 per year equaling an increase of \$67 per unit.

Condo Reserve Fund and Special Assessment

The Condominium Reserve Fund was increased in 2008 from \$20 to \$30 per month. There also was a one time special assessment of \$600 to complete the low voltage lighting, paint the entry stairways, clean the chimneys and dryer vents, removed a tree and repair the asphalt. This work has been completed at this time.

The Condominium Reserve Fees are not proposed to be increased in 2009 and there are no special assessments for the condominiums for 2009.

Fishing Operations

At the time of the 2009 budget process the Fishing Advisory Committee was restructuring.

There are no changes at this time in the budget, please note that the committee will be meeting after the New Year and will keep the owners and fishing community informed of meetings scheduled this winter to discuss the 2009 fishing season. Please watch the website for notice of meetings, minutes and updates.

Equestrian Operations

We continue to maintain and improve aging paddocks, hay barn and equestrian area, trails and fencing. Because costs continue to increase there will be an increase in the owners boarding fees from \$125 to \$131 per month and it is estimated winter feed will cost \$420 per horse, which will be billed in January.

In Closing

Colorado Property Management Group will have the 2009 payment book completed and mailed to you before the first of the year.

The monthly financial statement will be posted on the website along with the 2007 Audit and the 2009 Budget at www.ranchatroaringfork.com.

The final 2008 Year End Financial report will be available in February.

Dennis Reynolds
Treasurer