

**TIMBRSHOR  
TREASURER REPORT  
FISCAL YEAR 2015-2016**

**MAY 20, 2016**

**INCOME**

2014 HOA Fees	38,000.00
2015 Boat Slip Fees	10,800.00
Insurance Refund	1,248.08

**TOTAL \$50,048.08**

**EXPENSES**

**Administration**

Insurance (State Farm)	1,117.00
Security (Great Northern)	2,100.00
Garbage (Republic Services)	1,941.95
Electricity (Mission Valley Power)	405.97
Shoreline Protection (CSKT)	247.28
Swim Platform (T. Cox)	207.54
Miscellaneous Supplies (J. Payson)	730.94
Annual Montana Report Fee (D. McCarthy)	15.00
Meeting Room- Annual Meeting ( Red Lion Inn)	85.00

---

**\$6,850.68**

**GROUNDS**

Bob Miller	2,045.20
Dennison Logging	3,100.00

---

**\$5,145.20**

**DOCKS**

Miscellaneous Repairs (J. Payson)	<b>\$241.34</b>
-----------------------------------	-----------------

**SEPTIC**

Hafferman Engineering	\$70,859.36
Septic Pumping (Always Moving)	1,900.00

---

**\$72,759.36**

**LEGAL**

Rob Erickson (General & Septic)	\$3,192.00
Jon Binney (BOFP Bankruptcy)	1,385.00

**\$4,577.00**

**TOTAL EXPENSES** **\$89,573.58**

**Dock Fund**

2015 Balance	\$39,467.57
2016 Slip Fees	10,800.00
2015 Dock Work	(241.54)
2016 Dock Fund Balance	\$50,026.03

**Bank Account**

Balance as of 4/29/16	\$60,258.24
Credit/Debit Adjustments Through 5/20/16	(2,393.85)
Dock Fund as of 5/20/16	50,026.03
General Account Balance as of 5/20/16	7,838.36

**TIMBRSHOR  
PROPOSED  
BUDGET  
FY 2016-2017**

Administration	\$8,000.00
Grounds	5,000.00
Legal	3,600.00
Miscellaneous	5,000.00
Septic Maintenance	8,400.00
<b>TOTAL</b>	<b>\$30,000.00</b>

**OBSERVATIONS AND RECOMMENDATIONS**

1. Our spending this fiscal yer for normal matters such as administration, grounds and legal was relatively low: \$16,572.88. Engineering costs for the new community septic system were obviously high, \$72,759.36. Once this project is behind us, however, annual spending should be substantially reduced.

2. Because our general account balance of \$7,838.36 is low, my recommendation is to keep dues at current levels (\$1,000 for developed units and \$400 for undeveloped units) for another year. Once the septic project is completed, however, we can assess where we stand from a financial standpoint and hopefully reduce dues.

3. Because our dock account balance of \$50,026.03 should be sufficient to cover normal upkeep and significant repairs, my recommendation is to reduce 2016-17 slip fees to \$200 for boats and \$100 for jet skis. If owners without slips are desirous of an immediate boat slip, it is recommended that the HOA consider leasing appropriate shoreline to such owners on a long-term basis to build and maintain boat slips at the cost and expense of such owners; provided that such slips would be subject to exclusive use of those owners and any successors to their unit ownership rights.

4. Follow through on last year's agenda item and consider raising additional general income by charging fees for using common property for storing boats, sheds vehicles and other items. Charging storage fees could be helpful in reducing annual dues for everyone.

5. Hafferman Engineering will provide updated septic cost estimates at the Annual Meeting on: (a) construction costs, (b) engineer administrative costs, and (c) all other project costs except legal. Hafferman will also update the community on the status of State and County approvals which delayed the septic construction that was planned for this Spring.

6. Per DEQ insistence, the WSD will be resurrected in 2016 to administer the new community septic system. Once that occurs, the aforementioned maintenance fees will be removed from the HOA's budget and maintenance costs (approximately \$188 per year per unit) and any other shared costs will be included in the unit's property tax bill from Lake County.

7. Last Fall the HOA changed insurance carriers (State Farm is the new carrier) and the net result is that the community will save about \$2,600 per year in insurance costs and receive better insurance coverage and terms: (a) Liability coverage was doubled to \$2 Million per occurrence/\$4 Million aggregate; and (b) the deductible for D&O coverage (\$2 Million aggregate) was reduced from \$7,500 to \$1,000.

8. Re-visit HOA dues and slip fees at next year's Annual Meeting.