

Financial overview for 2021 and forecast for 2022- Jennifer Koval (KRG)

Income

Budgeted \$113,693.76

Actual \$118,991.74

4.7 % above budget (\$5,297.98)

Expenses

Budgeted amount \$98,979.32

Actual \$106,266.12

7.4% difference \$7,286.80

Administrative: Budgeted \$9046.00 Actual \$9,300.42 difference \$254.42 (2.8 % over budget due to continued increase in phone services.

Repair: Budgeted \$19,310.00 Actual \$17,317.75 (10.3% \$1,992.25 difference)

** Roof repair \$10, 191.34 higher than budgeted but maintained within budget for Repair

Maintenance: Budget \$9,985.00 Actual \$21,425.56 (114.6 % 11, 440.56)

Explanation of increase to maintenance:

** Replacement of door operator on elevator. New contract for elevator maintenance and service. Did not have to use capital reserve funds for replacement

Operating: Budgeted \$22,162.32 Actual \$18,140.85 (under by 18.1% \$4,021.47)

** Cable/ internet services increased but the board did not increase cost to unit owners and the association paid the \$880.56 difference.

Turnover cost: Cleaning Budgeted \$2,400.00 actual \$2,736.50. Long time cleaner resigned and new cleaner hired. Cost was slightly higher due to the change but still very reasonable.

Utilities: Budgeted \$21,726.00 Actual \$23,338.25 (7.4% over budget \$1,612.25)

** Electricity and water higher than budgeted

Insurance: Budgeted 10,200.00 Actual \$10,120.66 (under 0.8% \$79.34)

Replacement: Replacement of water pump bladder \$3,886.13.

** We were able to replace the bladder with funds from the operating account and did not use the reserve funds

Operating balance 12/31/21 \$8,462.94

Reserve contribution 2021 \$18,000.00. \$1,500 earmarked monthly to be transferred to the reserve fund

Current reserve balance \$150,284.00

Current Operating balance 5/31/2022: \$12,431.36

2022 Budget

Fees were not increased for 2022 after review that the association is ahead currently for needed reserve contributions

Total income forecast for 2022 \$113,900.19

Expenses forecasted for 2022 \$96,599.25, excludes the \$1,500.00 monthly contribution to the reserve account.

Highlights for 2021

New vendor for elevator services, reduction in annual cost for service agreement excluding after-hour calls. New annual rate is \$1420.00 excluding taxes

Previous contract \$3,180.00 annually excluding after hours services.

Had secondary company do an inspection on elevator to ensure that the door operator was the issue with the continued down cab. Both previous vendor and new vendor diagnosed the issue. Gable cost was \$8,650.00 plus tax to replace verses KONE quote to replace for \$9,847.00 plus tax. KONE is notorious for charging higher rates on services.

Most vendors 3-5-year term

Gable is a 1-year term

Replace the water bladder tank. \$3180.00 does not include labor for install with KRG plumber.

Bladder Tank helps with additional pressure to deliver water to higher floors without overworking water pumps.