

Notes to Approved Budgets

FREEDOM HILL COOPERATIVE, INC	BOARD RECOMMENDED BUDGET		MEMBERSHIP APPROVED BUDGET
	FY21	FY22	
BUDGET October 2021 - September 2022	Approved Budget 10/1/20 - 9/30/21	\$65 Increase as of 1/1/22	FY22 \$20 Increase as of 1/1/22
	\$ 430 / 500	\$ 495 / 565	\$ 450 / 520
No 94- 940- Description			
3101 Member fee income	\$ 754,110.00	\$ 833,025.00	\$ 774,300.00
3102 Nonmember Rental Income	\$ -	\$ 19,755.00	\$ 18,540.00
3107 Vacancy - members (Required 2%)	\$ (15,082.20)	\$ (17,055.60)	\$ (15,856.80)
3108 Rent discount	\$ (2,150.00)	\$ (2,350.00)	\$ (2,350.00)
Other Income (Profit-share receipts - Comcast)	\$ 5,800.00	\$ 5,800.00	\$ 5,800.00
3109 Comcast	\$ 5,800.00	\$ 5,800.00	\$ 5,800.00
3110 Net Application Fee Income	\$ 720.00	\$ 720.00	\$ 720.00
3125 Late Fees	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00
3189 Sale of Property (Sale of truck or backhoe for parts)	\$ 2,000.00	\$ -	\$ -
Interest Income	\$ 150.00	\$ 150.00	\$ 150.00
<b>TOTAL REVENUE</b>	<b>\$ 749,747.80</b>	<b>\$ 844,244.40</b>	<b>\$ 785,503.20</b>
<b>MAINTENANCE EXPENSES</b>			
5006 Maintenance Supplies (Cleaning, bathroom, kitchen)	\$ 300.00	\$ 800.00	\$ 800.00
5010 Park Maintenance (Park: pipes, shed, generator, signs)	\$ 2,000.00	\$ 3,500.00	\$ 3,500.00
5011 Subcontractors Fees (Removal of 10 trees. No street or culvert cleaning)	\$ 5,000.00	\$ 8,500.00	\$ 8,500.00
5012 Grounds Maintenance (Minor road/landscape/driveway repair, tools,/ 10 shut off valves)	\$ 11,900.00	\$ 23,090.00	\$ 12,000.00
5014 Vehicle fuel	\$ 2,500.00	\$ 2,400.00	\$ 2,400.00
5016 Vehicle maintenance	\$ 5,450.00	\$ 3,960.00	\$ 3,960.00
5035 Water System Maintenance	\$ 30,000.00	\$ 33,000.00	\$ 33,000.00
5040 Trash Removal	\$ 7,875.00	\$ 8,662.50	\$ 8,662.50
5045 Septic Maintenance	\$ 180.00	\$ 250.00	\$ 250.00
5050 Snow/Sanding	\$ 6,330.00	\$ 6,963.00	\$ 6,963.00
5098 Water System Filtration Media	\$ 20,000.00	\$ 24,200.00	\$ 24,200.00
Other: Arsenic Canister replacement (\$20,000 over 5 years)	\$ 4,000.00	\$ 7,875.00	\$ 7,875.00
<b>Other: Immediate Arsenic Canister replacement</b>	<b>-</b>	<b>21,500.00</b>	<b>\$ 21,500.00</b>
Other: Backhoe Replacement estimate \$25,000 paid back	\$ 5,000.00	\$ 5,637.75	\$ 5,637.75
Other: Culvert Upkeep:	\$ 4,000.00	\$ -	\$ -
<b>Other: Repair to Heater Splits in Meeting room and office</b>	<b>\$ 3,000.00</b>	<b>\$ 6,500.00</b>	<b>\$ -</b>
Other New riding Lawn Mower	3,000.00		\$ -
<b>Other: Property Lines Survey</b>	<b>\$ -</b>	<b>\$ 22,000.00</b>	<b>\$ 11,000.00</b>
<b>Other: Road repairs: Crack sealing 1/2 in FY22</b>		20,000.00	-

Through a consensus making process on 9/25/2021 FHC members present at the FY21 Annual Meeting, arrived at an approved operating budget that will address some of the needs presented by the Board to members which had been identified as necessary to meet funder and state requirements, properly maintain the general operations and implement preventative maintenance on infrastructure systems (water and roadways). This process will be used to inform future capital improvement plans and the members ability to fund such.

A \$20 rent increase is projected to generate an additional \$20,190 of operating revenue over FY21. (Impact: Average cost per lot \$136.42 lot per year vs originally proposed \$666.69)

Removal of trees will be limited to dead trees which may cause damage to structural property. Note: No additional minor requests for small tree cut by contractor will be approved.

Reduced proposed budget by eliminating maintenance on 8 additional water shut off valves. (Cost saving of \$1386.25\*8 = \$11090) Note: Any failing water shut off that jeopardizes water supply to a home shall be repaired regardless of impact on operating budget. (Health and safety issue)

Homeowners with volunteers assisting as requested by homeowners and availability, will remove leaves and maintain plant growth as needed. Note: Members choose not to outsource task to a contractor in order to keep lot rent as low as possible. Friendly reminders will be provided

Reduced proposed budget by eliminating maintenance/replacement on meeting room mini split. (Cost saving = \$6500) Note: No heat or air conditioning will be available in the meeting room

Reduced proposed budget by \$11,000 (50%) to survey only the Redwood Rd property line abutting the Ives Trust land pending verification of survey landowner used to reset the pins and prior surveys of FHC land. Consideration to survey remaining property line will be given at the FY22 annual meeting based on identified next steps after this work is completed. No new structures will be approved along property lines in question.

Road sealing preventative maintained deferred for re-consideration at FY22 Annual meeting. Cost projected to be included as cost for required arsenic canister replacement at one time will be removed. Net FY22 savings \$20,000. Note: Members understand and accept the risk to continue road surface deterioration which may increase cost in future years

	FY20 Approved	Board Recommended Budget	MEMBERSHIP APPROVED
<i>Other: Lamppost repair with solar 20 per year</i>	\$	\$ 1,500.00	\$ -
<b>UTILITIES</b>			
6074 Electricity	\$ 19,656.00	\$ 19,656.00	\$ 19,656.00
6075 Heat	\$ 2,925.00	\$ 3,217.50	\$ 3,217.50
6078 Water (Water testing, permits, professional	\$ 10,080.00	\$ 10,080.00	\$ 10,080.00
6079 Sewer (Septic Pumping - Best Septic)	\$ 13,125.00	\$ 15,625.00	\$ 15,625.00
<b>ADMINISTRATIVE EXPENSES</b>			
8006 Office supplies & expense	\$ 1,700.00	\$ 1,800.00	\$ 1,800.00
8007 Telephone & Postage	\$ 3,500.00	\$ 4,100.00	\$ 4,100.00
8080 Dues & subscriptions	\$ 120.00	\$ 120.00	\$ 120.00
8090 Legal and Professional	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
8091 Accounting/Audits	\$ 7,700.00	\$ 8,470.00	\$ 8,470.00
8150 Management fee	\$ 21,300.00	\$ 21,540.00	\$ 21,540.00
9002 Vendor service charges	\$ 125.00	\$ 125.00	\$ 125.00
9025 NH Taxes	\$ 2,580.00	\$ 2,580.00	\$ 2,580.00
<b>TAXES AND INSURANCE</b>			
6205 Real Estate Taxes	\$ 130,500.00	\$ 131,500.00	\$ 131,500.00
6210 Insurance	\$ 10,520.00	\$ 14,500.00	\$ 14,500.00
<b>TOTAL OPERATING COST</b>	<b>\$ 337,366.00</b>	<b>\$ 436,651.75</b>	<b>\$ 386,561.75</b>
<b>OTHER CASH FLOW USES</b>			
6220 Mortgage Interest - BNH	\$ 267,834.00	\$ 266,373.00	\$ 266,373.00
Mortgage Principle - BNH	\$ 42,122.00	\$ 43,583.00	\$ 43,583.00
6221 Mortgage Interest - NHCLF	\$ 34,719.00	\$ 34,498.00	\$ 34,498.00
Mortgage Principle - NHCLF	\$ 2,661.00	\$ 2,882.00	\$ 2,882.00
6223 Loan Interest - BNH Culvert Project	\$ 425.00	\$ -	\$ -
Loan Principle - BNH Culvert Project	13,884.00	\$ -	\$ -
6224 Mortgage Interest - Prepaid Amortization	\$ -	\$ 2,095.00	\$ 2,095.00
Replacement Reserve Deposit	\$ 42,000.00	\$ 47,277.69	\$ 43,988.18
Replacement Reserve Deposit (Plus \$10,833 to pay back truck over 6 yrs.)	\$ 10,833.00	\$ 10,833.00	\$ 10,833.00
<b>TOTAL OTHER CASH FLOW USES</b>	<b>\$ 414,478.00</b>	<b>\$ 844,193.44</b>	<b>\$ 790,813.93</b>
<b>TOTAL CASH OUT FLOW</b>	<b>\$ 751,844.00</b>	<b>\$ 844,244.40</b>	<b>\$ 785,503.20</b>
<b>NET CASH FLOW (loss)</b>	<b>\$ (2,096.20)</b>	<b>\$ -</b>	<b>\$ (5,310.73)</b>

Lamppost restoration with solar light heads removed from budget (savings \$1,500 per year). Note: Members accept risk associated with lack of proper lighting. Some lights are in working order, others are failing due to condition of electrical wiring, etc.

Members granted the Board discretionary judgement to figure how to reduce other budget lines to close gap in revenue as best as possible over the course of the year thorough quarterly forecasting and careful budget montioring.