



SRA Town Hall Draft 2025 Budget Presentation August 17, 2024



Town Hall Agenda

- I. Schedule of 2024 Budget Key Dates**
- II. Process to Prepare the Draft 2024 Budget**
- III. Part 1: Operating Budget (Admin & Maintenance)**
- IV. Part 2: Restricted Reserve Budget**
- V. Part 3: Association Homeowner Assessments**
- VI. Questions and Answers**

Budget Schedule

July 24: Board reviews draft 2025 Budget

August 17: 2025 Budget Town Hall

September 18: Board Adopts Budget

September 26: Annual Meeting ballots delivered

September 26 to October 24: voting period

October 26: 2024 Annual General Meeting

Process to Prepare and Finalize the 2025 Budget

- General Manager independently prepared the first draft of the budget.
- The Finance Committee reviewed the draft budget and provided feedback to the General Manager.
- The draft budget was presented to the Board at the July 24, 2024 Board meeting
- Townhall held to present draft budget to membership on August 17, 2024. Proposed increase in dues in 2024 = 3%.
- Final budget to be approved for inclusion on Annual General Meeting ballot at September 18 Board meeting

Part 1: Operating Budget (Administration and Maintenance)

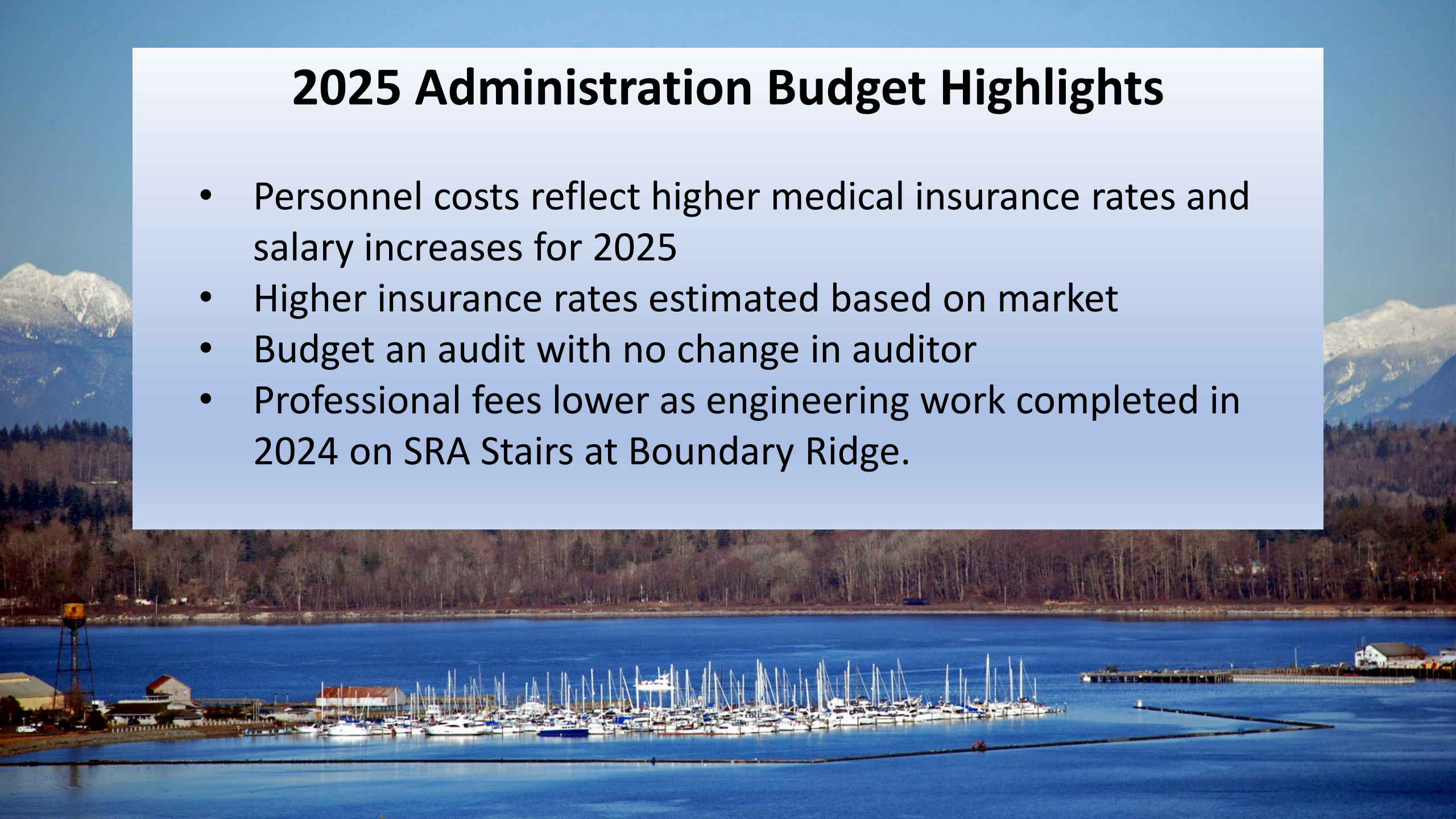


Operating Budget: Administration (000's)

	2024 Budget	2024 Forecast	2025 Budget	
Admin salaries and benefits	357	344	369	Higher health insurance, salary increases
Insurance	25	98	120	Estimated increase
Legal	25	16	21	
Audit and Tax	14	13	14	Same auditor
Land use consultant	20	10	5	
Professional services	59	58	36	less engineering
General administration	17	18	20	
	\$518	\$556	\$585	

2025 Administration Budget Highlights

- Personnel costs reflect higher medical insurance rates and salary increases for 2025
- Higher insurance rates estimated based on market
- Budget an audit with no change in auditor
- Professional fees lower as engineering work completed in 2024 on SRA Stairs at Boundary Ridge.



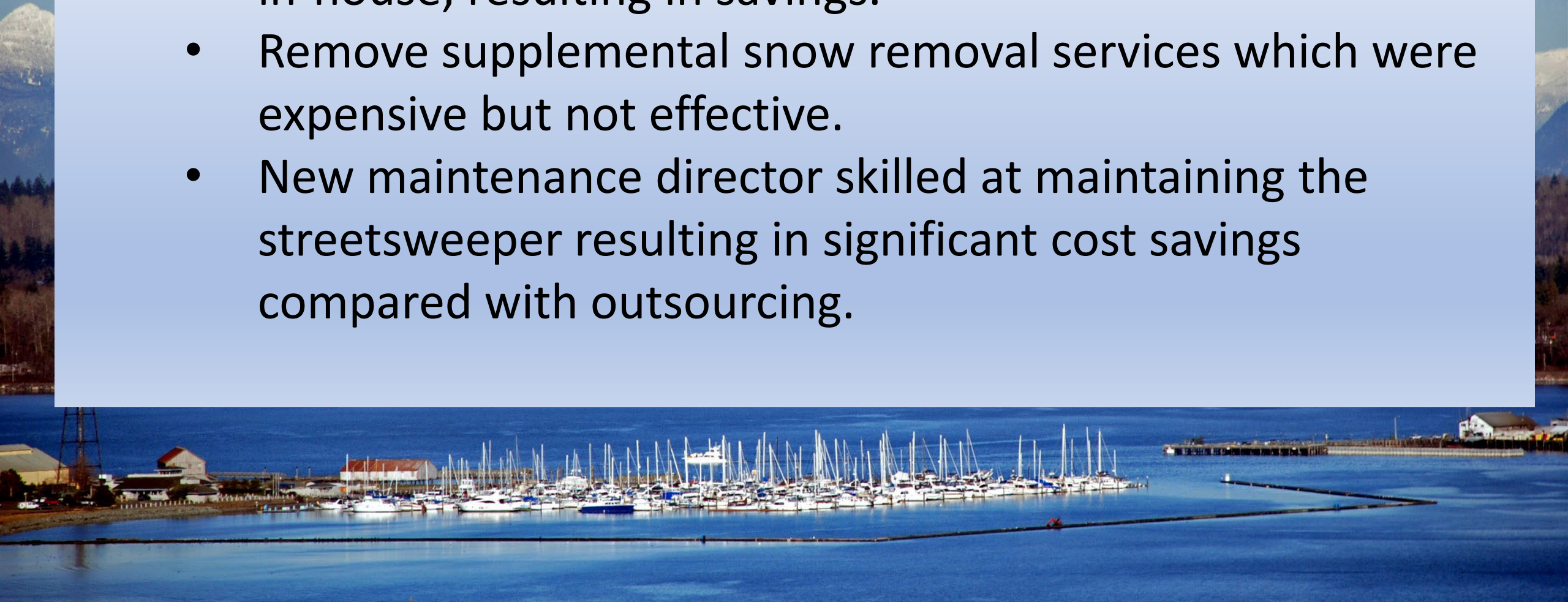
Operating Budget: Maintenance (000's)

	2024 Budget	2024 Forecast	2025 Budget	
Maint salaries and benefits	258	242	276	
Utilities	79	78	89	
Vehicles	40	33	50	
Landscape/grounds	115	96	129	higher tree removal and pond budget
Roads	62	30	30	streetsweeping and snow removal in house
SRA Center	11	7	11	
Other	7	5	6	
	\$572	\$491	\$590	



2024 Maintenance Budget Highlights

- Landscape and grounds maintenance continue to be done in-house, resulting in savings.
- Remove supplemental snow removal services which were expensive but not effective.
- New maintenance director skilled at maintaining the streetsweeper resulting in significant cost savings compared with outsourcing.



Operating revenues: Assessments + Other Income

	2024	2024	2025
	Budget	Forecast	Budget
HOA Assessments	1,042	1,038	1,116
ASC Income	68	79	50
Other income	7	17	9
Total income	<u>\$1,117</u>	<u>\$1,134</u>	<u>\$1,175</u>

Budgeted 2025 Operating Net Surplus

	2024	2024	2025
	Budget	Forecast	Budget
Total Revenues	\$1,117	\$1,134	\$1,175
Total Expenses			
Administration	\$518	\$557	\$585
Maintenance	\$572	\$491	\$590
Net Surplus	\$27	\$86	-

Part 2: Restricted Reserve Budget



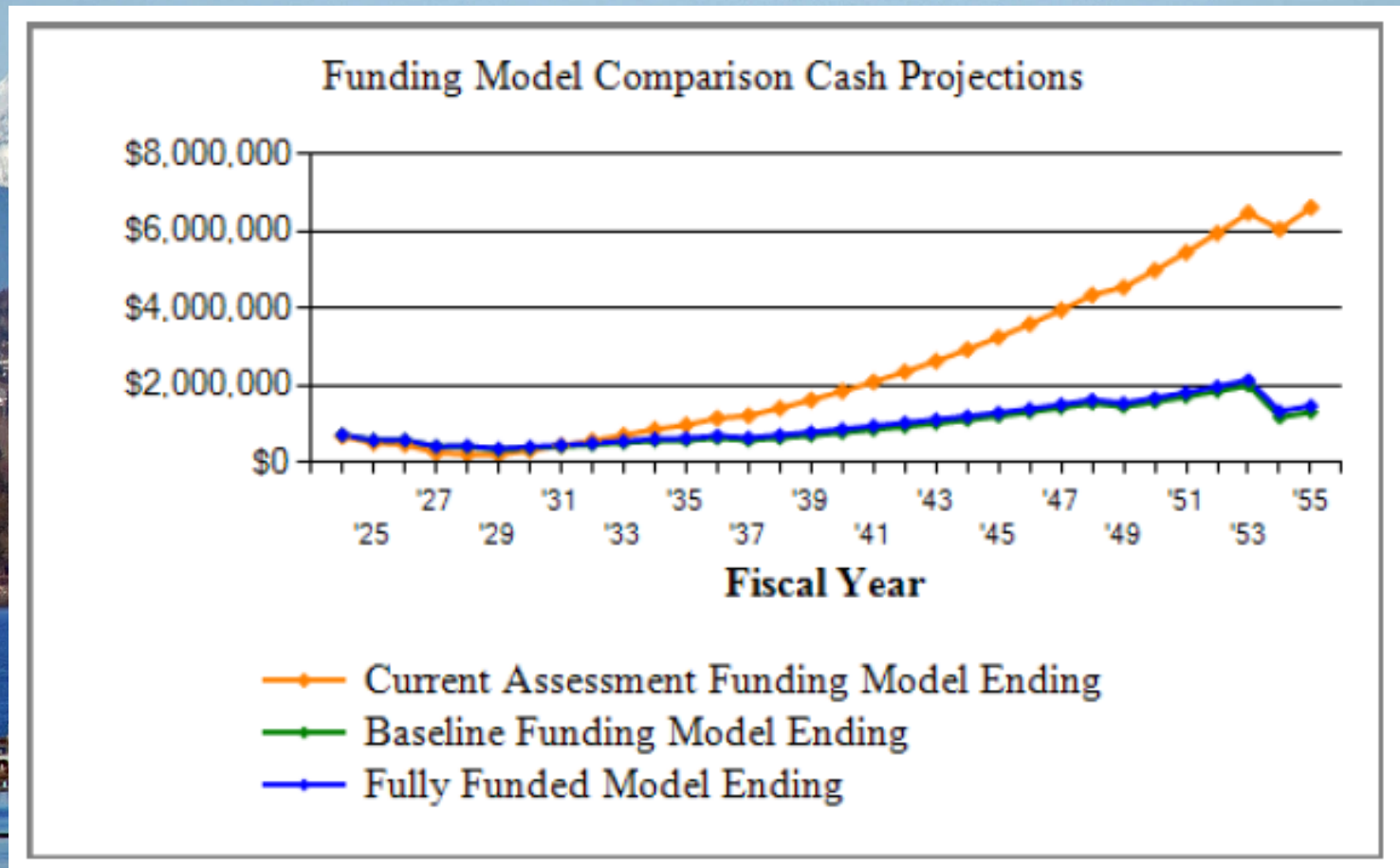
Restricted Reserve Fund (000's)	2024	2024	2025	
	Budget	Forecast	Budget	
Revenues: Assessments	340	322	287	
Revenues: Interest	25	23	30	
Total Contribution to Reserves	365	345	317	
Expenditures				
Common Areas	8	6	50	Ponds, playground, lighting
Entrance Gates	14	7	14	Gate replacement
Facilities	4	2	0	
Roadways	117	117	125	Cold patch repairs
Signage	38	55	17	scheduled replacement of wood signs
Stormwater	75	111	40	bioswale repair
Goldfinch Way retaining wall	220	200	0	
Total Expenditures	476	498	246 *	
Projected Surplus (Deficit)	-111	-153	71	

*Plus \$33,443 in interest payments and \$37,667 in principal payments for SRA building

2024 Reserve Study Update – fully funded model

Reserve Study assumes 5% inflation.

At December 31, 2024 reserve forecast to be 93% funded.



Part 3: HOA Assessments



2025 Proposed Budget Assessment Schedule

	Operating			Restricted Reserve			Total	
Year	2024	2025		2024	2025		2024	2025
Assessment per unit	\$304	\$333		\$101	\$86		\$405	\$419
Residential Lot	\$608	\$666		\$202	\$172		\$810	\$838
Residential Lot with Home	\$1,216	\$1,332		\$404	\$344		\$1,620	\$1,676
Multi-family (Condo):								
501-700 SF	\$456	\$500		\$152	\$129		\$608	\$629
701-960 SF	\$608	\$666		\$202	\$172		\$810	\$838
961-1,200 SF	\$760	\$833		\$253	\$215		\$1,013	\$1,048
1,201 - 1,400 SF	\$912	\$999		\$303	\$258		\$1,215	\$1,257
over 1,400 SF	\$1,064	\$1,166		\$354	\$301		\$1,418	\$1,467
Semiahmoo Resort	\$61,864	\$67,766		\$20,554	\$17,501		\$82,418	\$85,267

Significant unbudgeted projects:

- Boundary Ridge Stormwater Drainage (no budgeted action as currently subject a lawsuit filed by two members)
- SRA Stairs at Boundary Ridge: removed from reserve study when they were closed in 2023 after being deemed unsafe by an engineering study. Estimate to repair obtained in 2024. Special assessment proposed for 2025.
- Drayton Harbor Recreational Easement: Further study required to quantify cost of options.

SRA Stairs at Boundary Ridge

- The SRA Stairs at Boundary Ridge are a unique amenity available for the private use of the whole SRA membership.
- In 2023, the SRA Stairs at Boundary Ridge were closed after being declared unsafe by an engineering firm.
- In 2024, the SRA received an estimate of \$150,000 for a repair to the Stairs to extend their life by approximately 30 years.
- The Board is considering adding a \$150,000 special assessment to repair the Stairs in 2025.

SRA Stairs at Boundary Ridge – \$150,000 Repair

	2025 Special Assessment
Lot with a home	\$179
Vacant Lot	\$90
Multifamily/Condo	
501-700 SF	\$67
701-960 SF	\$90
961 - 1,400 SF	\$112
1,201 - 1,400 SF	\$134
over 1,400 SF	\$157
Semiahmoo Resort	\$9,115

2025 Budget Highlights

- Zero-based budgeting approach – each budget item was determined based on forecast 2025 needs and assumed conditions.
- Continued use of in-house resources as more customized and less expensive.
- Incorporated results of Reserve Study after 2024 inputs were updated.
- 3% proposed increase in HOA total dues.
- Special assessment for 2024 repair to SRA Stairs at Boundary Ridge.

Questions & Discussion

