<u>Memo</u>

To: Board of Trustees

From: Mike Malone, Larry Sinsimer, Paul Anderson

Re: Transition and Budget and Water Bills

5/15/2022 – Updated 6/8/2021

- Old Water bills surplus – Discuss and Vote
  Old water bills $5824.29 (Reimbursed by Thorndike to Trust)
  We recommend putting this into Working Capital Reserves

- Working Capital Reserve – Discuss and Vote

  We currently have $78,285.67 in Working Capital Reserve
  Adding $5,824.20 to this account would bring total to $84,109.96
  This fund should have 2 months condo fee at 2022 rate which would be $89,427.50
  We would then be short of this goal by $5,325.54

- 2021 Budget – Discuss and Vote

  Budget Surplus (2021) after audit $43,939.
  The snow line was $39,000 spent out of the $50,000 budgeted. Leaving a surplus of $11,000 for 2021. There was also a contingency line of $8,377 in the 2021 budget. The total for both these lines is $19,377. This $19,377 amount could be voted into the 2022 snow budget to help address this year's deficit. The 2022 snow budget was $50,000. By adding $19,377 to this line, it would bring the budget to $69,377 for snow removal. The total spent for snow thru April 2022 is $78,900.
  Discussion and a vote needed on this.

- 2021 Budget Surplus – Discuss and Vote

  The remaining 2021 Budget surplus would be $24,560.
  This could be further divided with $5,326 to Working Capital Reserve – making that total be $89,427.50. Which would then meet the 2month goal.
  Leaving $19,234.
  This could be further appropriated to $10,000 to the Reserve Fund and $9,234 into the 2022 Annual Operating Reserve (or Contingency). Currently this Annual Operating Reserve has a total of $6,340 for 2022. The new total would be $15,574. This could be rolled over at the end of 2022 or used within the budget during or at the end of 2022.

  These are the general options we discussed as liaisons.

  Note: In my opinion, this plan would leave the Reserve Accounts in excellent shape, the Working Capital Reserve in excellent shape. It would also put additional funds into 2022 Annual Budget Reserve and leave the 2022 budget in excellent shape. M.M.