

Arrowhead at Vail Association Summary of 2022 Proposed Budget



	2022 Proposed Budget	2021 Budget	2021 Forecast	Variance 22 Bud to 21 Forecast
Revenue				
Assessments	1,169,600	1,169,600	1,169,600	(0)
Transfer Fees	1,400,000	1,406,000	2,543,064	(1,143,064)
Design Review Fees	62,000	60,000	110,117	(48,117)
Interest Income	5,000	7,500	1,626	3,374
Other Income	7,000	7,000	24,592	(17,592)
Design Review Fines	2,000	2,000	1,840	160
Tennis Comm & Mbrship	3,350	3,350	1,893	1,457
Short Term Rental Fees	27,000	30,000	26,762	238
Total Revenue	2,675,950	2,685,450	3,879,494	(\$1,203,544)
Operating Expense				
Public Safety	(869,612)	(868,453)	(789,250)	(80,362)
Common Area Utilities	(53,600)	(47,887)	(58,745)	5,145
Landscaping	(321,700)	(316,829)	(298,640)	(23,060)
Common Area Maintenance	(46,000)	(42,700)	(43,193)	(2,807)
Municipal Services	(209,319)	(214,691)	(189,885)	(19,434)
Recreational Amenities	(130,120)	(93,116)	(82,218)	(47,902)
Trash Removal	(199,000)	(179,040)	(193,484)	(5,516)
Insurance	(16,000)	(15,993)	(15,815)	(185)
HOA Functions	(205,250)	(185,189)	(145,291)	(59,959)
Design Review Expense	(186,788)	(165,038)	(167,110)	(19,678)
Admin, Manager, Accounting & Legal	(269,416)	(255,897)	(274,496)	5,080
Capital Project Management Fee	(25,000)	(25,000)	(20,000)	(5,000)
Income Tax	(2,000)	(1,700)	(175)	(1,825)
Total Expense	(2,533,805)	(\$2,411,533)	(2,278,302)	(\$255,503)
Surplus/(Deficit)	\$142,145	\$273,917	\$1,601,192	(\$1,459,047)
Improvements and Replacements				
Tennis Facilities	(30,000)	-	-	
Tennis Center Security	(6,000)			
Owner Survey		(12,000)	(12,000)	
Landscaping - Entrances	(480,000)	(150,000)	(55,000)	
Landscaping - Interior	(30,000)			
Security Vehicles		(35,000)	-	
Entrance gates	(25,000)			
Cameras and Gate Server	(20,000)		(30,000)	
Hiking Trail Improvements	(45,000)		-	
Lighting Phase 1	-	(302,600)	(302,600)	
Village Landscaping		(5,000)	-	
Wildland Fire Mitigation	(20,000)	(10,000)	(10,000)	
West Tennis Center Sunscreen		(2,000)	(738)	
Pickleball Conversion	(12,000)	(17,000)	(21,270)	
Camera			(5,659)	
Patio Umbrellas & Tents	(3,500)			
Racket Center Grill		(5,000)	(4,922)	
Broken Arrow Alarm System	(5,000)			
Improvements Total	(\$676,500)	(\$538,600)	(\$442,189)	(\$234,311)
Operating Fund				
Beginning Balance	5,592,392	4,272,897	4,433,389	1,159,003
Surplus/(Deficit)	(\$534,355)	(\$264,683)	\$1,159,003	(\$1,693,358)
Ending Fund Balance	\$ 5,058,036	\$ 4,008,214	\$ 5,592,392	\$ (534,355)

NOTES TO 2022 BUDGET FOR YOUR REFERENCE

- The 2022 Budget assumes a conservative Real Estate Transfer Assessment (RETA) revenue despite a strong performance in 2021. The inventory of Arrowhead properties listed for sale is at an extremely low level and it is unclear whether the current high level of RETA revenue will be sustained. The board has decided to take a conservative approach and has used a five year average from 2015-2019 to calculate the budget.
- The expense budget for 2022 reflects expected cost increases in Landscaping, Design Review and Trash removal. We have also factored in an anticipated cost increase for use of the Arrowhead Alpine Club pool. Public Safety continues to be the single largest expense item. Public Safety costs in 2022 have been kept at the same level as the 2021 budget. We have increased the budget for HOA expenses to include an increase in homeowner activities. The total operating expenses will be covered by the conservative revenue budget with a small surplus remaining.
- The Improvements and Replacements budget for 2022 reflects the execution of the Strategic Plan for Arrowhead and investments in the community infrastructure, such as an update to community landscaping, improvements to hiking trails and amenities and additions to the gate and security systems. These investments will be paid for by any surplus in operating expenses and from the approximately \$5 million in the Association Fund Balance.
- The Association Fund Balance provides the Association with funds to meet future RETA short fall and to continue to invest in the community multi-year Strategic Plan.

If you have any questions regarding the 2022 Budget, please reach out to any Board member.