

Giants Neck Beach Association

2020-2021 Budget Presentation
May 26, 2020

Proposed Budget 2020 - 2021

Pandy Wohler, Chair

EXPENSES

Expenses

| Item # | Committee | '19-'20 Budget | Actuals 7/1/19 to 3/27/20 | Budget Balance | Projected 3/28/20 to 6/30/20 | Projected Under (Over) | '20-'21 Budget Request |
|----------|----------------------------------|----------------|---------------------------|----------------|------------------------------|------------------------|------------------------|
| EXPENSES | | | | | | | |
| 1 | Association Cottage | 23,759.40 | 24,416.93 | (657.53) | 79.83 | (737.36) | 21,000.00 |
| 2 | Beach | 9,000.00 | 4,375.00 | 4,625.00 | 4,625.00 | - | 9,000.00 |
| 3 | Beautification | 5,900.00 | 2,070.26 | 3,829.74 | 1,000.00 | 2,829.74 | 3,250.00 |
| 4 | Buildings and Grounds | 12,500.00 | 3,751.00 | 8,749.00 | 1,770.00 | 6,979.00 | 12,875.00 |
| 5 | Club House | 8,411.00 | 6,027.70 | 2,383.30 | 1,399.93 | 983.37 | 8,750.00 |
| 6 | Harbor Management | 400.00 | - | 400.00 | 400.00 | - | 1,000.00 |
| 7 | Ponds | 4,100.00 | 2,779.30 | 1,320.70 | 582.38 | 738.32 | 11,700.00 |
| 8 | Recreation | 1,000.00 | 729.38 | 270.62 | 73.74 | 196.88 | 1,200.00 |
| 9 | Security | - | - | - | - | - | - |
| 10 | Tennis Court | 3,250.00 | - | 3,250.00 | - | 3,250.00 | - |
| 11 | Website | 350.00 | 68.55 | 281.45 | - | 281.45 | 4,740.00 |
| 12 | Zoning Board of Appeals | 500.00 | - | 500.00 | - | 500.00 | 500.00 |
| 13 | Zoning Commission | - | - | - | - | - | 450.00 |
| 14 | Personnel | 16,245.00 | 7,638.21 | 8,606.79 | 7,298.94 | 1,307.85 | - |
| 15 | BOG | 15,951.00 | 11,452.44 | 4,498.56 | 1,287.10 | 3,211.46 | 26,275.00 |
| 16 | | | | | | | |
| 17 | TOTAL EXP before surplus | 101,366.40 | 63,308.77 | 38,057.63 | 18,516.92 | 19,540.71 | 100,740.00 |
| 18 | BOG Surplus '17-'18 | (14,436.00) | | | | | |
| 19 | BOG Surplus '18-'19 | | | | | | (13,500.00) |
| | | | | | | | |
| | Total Operating Exp less surplus | 86,930.40 | 126,617.54 | 76,115.26 | 37,033.84 | 39,081.42 | 87,240.00 |
| 20 | Capital Fund | 65,000.00 | 35,264.00 | 29,736.00 | | 29,736.00 | 25,000.00 |
| 30 | Total Expenses | 151,930.40 | 161,881.54 | 105,851.26 | 37,033.84 | 68,817.42 | 112,240.00 |

Notes on Expenses:

- Cottage expenses have decreased by ~ \$1,400 because Tenant will be responsible for all utilities. We expect to realize property tax savings of ~ \$3,400 resulting from transfer of rear strip back to GNIC. There is a projected increase of 10% for insurance premiums.
- For the Clubhouse, there is a projected increase of 10% for insurance and 3% for property taxes.
- There is a \$600 line item in the Harbor Management budget for buoys that need to be replaced.
- The Ponds budget increased by ~ \$4,800 due to 1) pond treatments required in upcoming year, and 2) planned extension of fencing along lower pond

Notes on Expenses, Cont'd:

- Expenses for Beach cleaning and maintenance have remained flat.
- There are no expenses included in the operational budget for the tennis court, as the Association last summer did not approve funds to restore the court as a tennis-only facility. Information concerning potential conversion to a multi-purpose facility will be forwarded in the near future for consideration by members, and the votes and funding for any such project will be separate from the operational budget.

REVENUE

Revenues

| Item # | Committee | '19-'20 Budget | Actuals 7/1/19 to 3/27/20 | Budget Balance | Projected 3/28/20 to 6/30/20 | Projected Over (Under) | '20-'21 Budget Projection |
|-------------------------|-------------------------|----------------|---------------------------|----------------|------------------------------|------------------------|---------------------------|
| REVENUE | | | | | | | |
| 1 | Association Cottage | 7,200.00 | - | - | | - | 22,800.00 |
| 2 | Beach | - | - | - | | - | - |
| 3 | Beautification | - | - | - | | - | - |
| 4 | Buildings and Grounds | - | - | - | | - | - |
| 5 | Club House | 1,000.00 | 575.00 | (425.00) | | (425.00) | 350.00 |
| 6 | Harbor Management | - | - | - | | - | - |
| 7 | Ponds | - | - | - | | - | - |
| 8 | Recreation | - | - | - | | - | - |
| 9 | Security | - | - | - | | - | - |
| 10 | Tennis Court | - | - | - | | - | - |
| 11 | Website | - | - | - | | - | - |
| 12 | Zoning Board of Appeals | - | - | - | | - | - |
| 13 | Zoning Commission | 2,500.00 | 3,050.00 | 550.00 | | 550.00 | 2,500.00 |
| 14 | Personnel | - | - | - | | - | - |
| 15 | BOG | 1,355.00 | 1,670.89 | 315.89 | | 315.89 | 1,200.00 |
| 16 | | | | | | - | |
| 17 | | | | | | - | |
| 18 | | | | | | - | |
| 19 | | | | | | - | |
| | | | | | | - | |
| Total Operating Revenue | | 12,055.00 | 5,295.89 | 440.89 | - | 440.89 | 26,850.00 |
| | Tax Revenue | 139,875.00 | 140,414.91 | 539.91 | 257.48 | 797.39 | 85,390.00 |
| 30 | Total Revenue | 151,930.00 | 145,710.80 | 980.80 | 257.48 | 1,238.28 | 112,240.00 |

Notes on Revenue:

- Association Cottage revenue has increased to \$22,800 due to new tenant.
- Projected Clubhouse revenue is down by \$650 because of the anticipated decrease in events due to COVID-19 restrictions.
- There is a surplus of \$13,500 from the 2018-2019 operating budget being added to revenue.

MIL RATE

Proposed Mil Rate

- The Budget Committee and Board of Governors recognize that these are difficult economic times for many, and have worked hard to reduce the mil rate, both by keeping expenses low, and by decreasing the contribution to the Capital Fund for this year.
- As a result of these measures, we are happy to report that the proposed operational budget incorporates a mil rate of 1.16, down significantly from a high of 1.94 last year.
- A chart showing the expected tax impact of this mil rate follows. Please note that the numbers provided are illustrative only, and assume the property values have stayed the same from year to year. Any changes to the assessed values will affect the tax liability.

Tax Impact of Proposed 2020-2021 Mil Rate

(Please note this assumes no change in property value)

| Oct '19 GL Est. Assessed Value | 2018-2019 Estimated Tax @1.94 | Tax Change | 2019-2020 Estimated Tax @1.16 |
|---|--|-----------------------|--|
| \$370,000 | \$718 | - \$289 | \$429 |
| \$740,000 | \$1,436 | - \$577 | \$859 |
| \$1,100,000 | \$2,134 | - \$855 | \$1,279 |
| \$1,500,000 | \$2,910 | - \$1,170 | \$1,740 |

CAPITAL FUND: EXISTING AND PROJECTED BALANCES

GNBA CAPITAL ACCOUNT/FUND

| | | | |
|--|------------------|------------------|------------------|
| Balance May 2020 | | \$144,465 | |
| | | | |
| Proposed Capital transfer from | | | |
| 2020-2021 Operational Budget | | \$25,000 | |
| | | | \$169,465 |
| Less Expected Expenditures Associated with Prior Appropriations | | | |
| Pond Project | \$21,100 | | |
| Playground Mulch | \$3,000 | | |
| | | | |
| | | | \$24,100 |
| Less 2020-2021 to be Appropriated | | | |
| BOG emergency fund | \$ 5,000 | | |
| Ongoing Main Beach Sand Project | \$ 25,000 | | |
| | | | \$30,000 |
| Projected Capital Balance Following Requested Appropriations | | | |
| | | | \$115,365 |

Comments or Questions about the Budget?

- Email any comments or questions about the 2020-2021 operational budget by June 2, 2020 to:

budget.gnba.@gmail.com

REMINDERS:

TIMELINE AND PROCEDURES

Budget – Related Items to be Voted on by Absentee Ballot

- 2020-2021 Operational Budget
- Transfer \$25,000 to Capital Fund
- \$5,000 Emergency Fund
- Mother's Beach Project \$25,000

The Board expects to mail ballots to all households by June 6, 2020. Note that in addition to the above budget-related votes, the ballot will include items for approval of the BOG and ZBA slates to be proposed by the Nominating Committee.

Please remember all completed ballots must be received at P.O. Box 124, Niantic, CT by June 20, 2020.

Reminder – Timeline and Deadlines

Summary of timeline and deadlines:

(For purposes of the dates below, the deadline is the date by which the submission must be received by the BOG, via email or in the P.O. Box, as applicable):

May 31, 2020: Deadline to submit Designation of Member Representative forms to either voting.gnba@gmail.com or Registrar, P.O. Box 124, Niantic, CT 06357

(NOTE: this form is only applicable to legal entities that want to designate a new or different Member Representative.)

June 2, 2020: Deadline to submit comments or concerns re budget to budget.gnba@gmail.com

June 6: Date by which Board expects to mail the absentee ballots, after having reviewed any comments and concerns submitted and made any necessary adjustments.

June 20: Deadline by which completed absentee ballots must be received at the following address:

Registrar
P.O. Box 124
Niantic, CT 06357