

**Virginia City Highlands Property Owners' Association**  
**Proposed Operating Budget Summary for the Fiscal Year Ending June 30, 2007**  
**and Comparison to Previous Fiscal Year**

	FY2006	FY2007
<b>Forecasted Beginning Cash Balance</b>	<b>\$45,000</b>	<b>\$30,000</b>
Dues	58,500	57,500
Architectural Fees	4,000	2,000
Transfer Fees	<u>15,000</u>	<u>5,000</u>
Operating Income	77,500	64,500
Rental Income	9,000	8,200
Other Income	<u>2,000</u>	<u>2,000</u>
Total Other Income	11,000	10,200
<b>Total Income</b>	<b>88,500</b>	<b>74,700</b>
Postage	2,400	2,400
Property Taxes	1,500	1,693
Ombudsman's Fees	3,507	3,507
Newsletter Expense	1,100	1,100
Bookkeeping	7,200	7,200
Utilities	600	1,200
Office Supplies	1,800	1,800
Bank Fees	350	350
Picnic Expense	500	500
Vehicle Registration	w/road maint	750
Legal Fees	<u>1,500</u>	<u>1,500</u>
<b>Total Administrative Expenses</b>	<b>20,457</b>	<b>22,000</b>
Insurance	20,000	20,000
Snow Removal	w/road maint	15,000
Road Maintenance	45,000	10,000
Rental House Expense	1,600	1,500
Miscellaneous Expense	<u>600</u>	<u>500</u>
<b>Total Insurance, Roads, Rental &amp; Misc</b>	<b>67,200</b>	<b>47,000</b>
<b>Total Expenses</b>	<b><u>87,657</u></b>	<b><u>69,000</u></b>
<b>Cash Deficit Surplus/(Deficit)</b>	<b><u>843</u></b>	<b><u>5,700</u></b>
<b>Forecasted Ending Cash Balance</b>	<b><u>\$45,843</u></b>	<b><u>35,700</u></b>

**Note:** The complete budget is available for review by property owners upon appointment with the Association Bookkeeper.

## Virginia city Highlands Property Owners' Association

### Projected Reserve Fund

Fiscal Year ending June 30	Year 1	Year 2	Year 3	Year 4	Year 5
	2003	2004	2005	2006	2007
<b><u>Potential Funding Sources:</u></b>					
August, 2001 Special Assessment	\$49,683	\$5,845	\$0	\$0	\$0
Collection of "old" accounts receivable	10,000	5,000	0	0	0
Rent from residence	3,000	3,000	3,000	3,000	0
Transfer fees (15 transfers @ \$100 ea.)	0	1,500	1,500	1,500	0
Bank loans for vehicle purchases	10,200	10,000	13,285	0	0
<b>Total Potential Sources of Funds</b>	<b>\$72,883</b>	<b>\$25,345</b>	<b>\$17,785</b>	<b>\$4,500</b>	<b>\$0</b>
<b><u>Projected Capital Expenditures:</u></b>					
Fire Station	0	0	0	0	0
Rental Residence	2,000	0	0	0	0
Mail Sheds	0	0	0	0	0
Cartwright Road Paving*	35,596	0	0	0	0
Gravel Roads	0	0	0	0	0
Culverts	0	0	0	0	0
1979 Earth Grader	0	0	40,000	0	0
1975 Water truck	0	0	0	0	0
1998 GMC Pick-up Truck	0	0	0	0	0
1984 GMC Pick-up Truck	17,000	0	0	0	0
1979 Dodge Flat-Bed Truck	0	0	22,142	0	0
Snow-plow blade #1	0	0	0	5,727	0
Snow-plow blade #2	0	0	0	0	0
Snow-plow blade #3	5,000	0	0	0	0
2002 Sander/salt spreader	0	0	0	0	0
Computer System	0	0	1,500	0	0
<b>Total Capital Expenditures</b>	<b>\$59,596</b>	<b>\$0</b>	<b>\$63,642</b>	<b>\$5,727</b>	<b>\$0</b>
<b>Annual Surplus (Shortfall)</b>	<b>\$13,287</b>	<b>\$25,345</b>	<b>(\$45,857)</b>	<b>(\$1,227)</b>	<b>\$0</b>
<b><u>Reserve Fund Summary:</u></b>					
Money in Reserve Fund at Beginning of Year	\$49,683	\$13,287	\$38,632	(\$7,225)	(\$8,452)
Annual Surplus (Shortfall) - see above	(36,396)	25,345	(45,857)	(1,227)	0
Money in Reserve Fund at End of Year	<b>\$13,287</b>	<b>\$38,632</b>	<b>(\$7,225)</b>	<b>(\$8,452)</b>	<b>(\$8,452)</b>

\* Timing of paving depends upon fund availability from Highland Ranches Property Owners' Association.

Note: Year 1 commences July 1, 2002.

**Note:** In accordance with NRS 116, a reserve study must be completed every five years. A new study will be completed in the fiscal year ending June 30, 2007.