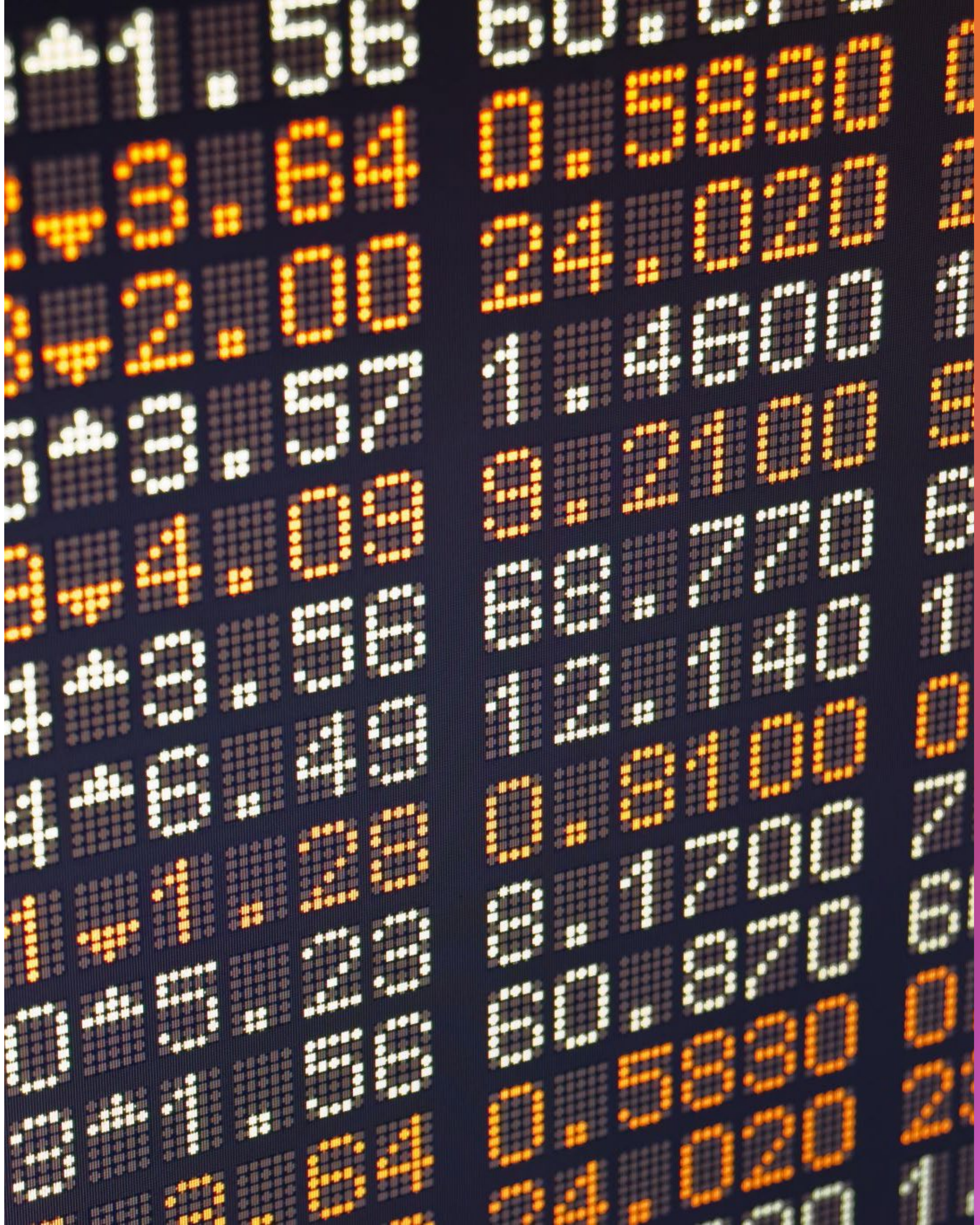
# 2026 Budget Presentation

DBWC Finance Committee



# Meet Your Budget Development Team

- Members of the Finance Committee
- Members of our Board of Directors
- Park Manager
- Office Manager

# Things to Consider

- Our budgeting process results in very accurate budgets
- The 2025 operating budget is right on target as has been true the last few years.
- We have a substantial amount of deferred maintenance and aging infrastructure resulting in unplanned/unexpected expenses
- We have an aging population that is less able to donate their labor and money to help the common good

# Fiduciary Responsibility

Your Finance Committee monitors park finances and advises the Board of Directors on matters affecting park finance

Our priorities are safety, sustainability and investment in the future of our community.

# State of the Park

The retaining wall between the shop and Radclyffe was not in the Reserve study and will cost ~$11K

There are trees endangering our well cistern that must be addressed. Cost estimate is ~$1200

There are trees endangering our power lines along the east side of our park at a cost of ~$900

The clear cut on the property to the south of 101 is affecting wind and drainage patterns on our property, especially the water well property

# State of the Septic Crisis

1. We’ve already borrowed ~$45K in unplanned septic repairs from our reserves
2. We estimate we may have to borrow up to $60K by year end
3. The septic system drainfield failure requires an entire redesign, relocation, and rebuild of the drainfield
4. The septic system water treatment plant on the meadow also requires a number of corrections and improvements
5. The final cost for us to get to a functional, reliable system is expected to be in the HUNDREDS of THOUSANDS of dollars

# State of the U.S. Economy

Current inflation rate is 3% and is predicted to go higher

Prices for materials continue to climb and are unpredictable. Tariffs are a major cause of rising prices and volatility.

Federal Reserve Board is under tremendous pressure to continue to reduce interest rates which will in turn drive down the return on our CDs where our reserve funds are invested

All of these factors were considered when developing the annual budget.

# 2026 Budget Development

## Who?

- Finance Committee, Staff, and Board Members

## How?

- REVIEW: each income and expense budget line item
- COMPARE: income and expenses for the previous 3 years
- ANALYZE: this year’s actual (Jan – Aug) and estimated (Sept – Dec).
- PROJECT: spending needs for the upcoming year

# 2026 Budget

Remember the state of the park?

This budget represents a large increase AND it is a realistic budget to cover what we project will be needed in 2026 to maintain safety, efficiency, and sustainability

We must still address unplanned reserve spending AKA the “loans” we are taking from our reserves. These funds MUST be replaced. Our Reserve Funding has dropped to an unacceptable 68% (ideal = 80% or above)

# We're STILL in recovery

We are recovering from many years of artificially low dues and the resulting deferred maintenance and unfunded/underfunded reserves

We're recovering from many years of artificially low wages for our staff

Because of the state of the Reserve funding (68%) we cannot continue to put the interest the reserve funds earn into the operations budget. Interest must be reinvested in the Reserve fund or we will fall further and further behind.

# Income + Expense = Budget

| To balance the budget we employ two basic tools: | Find more income | Cut expenses |
| --- | --- | --- |
| Find/generate more income<br><br>Cut expenses | Increase to RV parking space rent: $5 per month<br><br>Increase in laundry price: + $.50 per load (wash+dry)<br><br>Add shed space rental fee: $10 per month | Cuts in expenses = reduced/deffered maintenance and reduced services<br><br>We chose not to cut expenses EXCEPT for satellite TV |

# Income + Expense = Budget

- 2025
  - Rent - $217.33 per site monthly
  - Other income sources (parking fees, electric recovery, doc prep, etc.)
  - Assessment – (to cover difference between rent/other income and total expenses) $32.67 per site monthly
  - Monthly total: $250 per site

# 2025 vs. 2026 by Category

| INCOME | 2025 Budget | 2025 Est Total | 2026 Budget |
|---|---|---|---|
| Rent + Monthly Assessment | 345,000 | 345,000 | 400,200 |
| Other Sources | 80,415 | 90,580 | 71,400 |
| Annual Contributions to Reserves | (95,124) | (95,124) | (105,480) |
| **Total Income** | **330,291** | **340,456** | **366,120** |
| **EXPENSES** | | | |
| Salaries & Wages | 121,896 | 127,904 | 145,867 |
| Administrative | 52,170 | 45,949 | 44,570 |
| Contract Services | 28,906 | 31,512 | 32,600 |
| Repairs & Maintenance | 28,175 | 38,184 | 40,400 |
| Parts & Supplies | 4,650 | 3,183 | 3,000 |
| Utilities | 83,460 | 82,200 | 88,160 |
| Taxes | 11,000 | 10,963 | 11,500 |
| **Total Expenses** | **330,257** | **339,895** | **366,097** |

# Cost per Site Breakdown

- 2026 Rent
  - Rent - $223.85 per site monthly
    - (base of $217.33 + Annual Increase per Lease Agreement based on Western WA CPI 3% for past 12 months at end of Aug 2024 )
  - Rent for 2026 - $223.85
  - Assessment – (to cover difference between rent/other income and total expenses) $66.15 per site monthly
  - Monthly total: $290 per site

# Still breathing?

- OK… Let’s all just take a deep breath…
- There’s more

# Proposal to the Board

- Initial Special Assessment of $500 per site to repay what we borrowed from the reserve fund in 2025 to pay for unplanned septic expenses

# Leaseholders have options:

- Pay in full immediately
- Monthly payments over time: 14 months starting in November = $36/month
- Defer payment until we have the final numbers for the major special assessment to come
- Pay more than $500 now, excess would be applied to future special assessments

# Remember

It is an honor and a privilege to live in our amazing community

It's STILL a screamin' deal!

# Thank you!

- To the volunteers who fed the hungry Finance Committee during Budget Week
- To Karen Jeanne, Tanya, and Julia for their support
- To the Board Members who participated in Budget Week
- To everyone in the community who supported us