



2025 Budget Ratification & Notice of Assessment Increase

November 7, 2024

Dear Ponderosa Ridge Homeowner(s):

Budget season is upon us again. With support from Rockwood Property Management (RPM), your elected Directors have adopted and hereby propose the enclosed 2025 Budget for ratification by the members.

The budget is ratified unless 51% of the members oppose. To reject the budget, members must attend the Ratification Meeting in person or by proxy at 10:30 am on December 5th, 2024, via Zoom. Members that are unable to attend the Ratification Meeting may respond by Proxy, which must be submitted in writing by any means listed herein and received prior to the Ratification Meeting. The only purpose of the Ratification Meeting is to tally the members opposed to the proposed 2025 Budget; no other business will be discussed. To attend, please click the meeting link from the HOA's homepage (www.ponderosaridgehoa.com) or enter it into your browser window as; <https://us06web.zoom.us/j/85360035968>

Despite our efforts to provide quality services at consistent rates, the Association is still facing the impacts of rising inflation on utilities and services, along with ongoing fluctuations in the market and labor. As fiduciaries, it is essential for the Directors to promote equity and financial stability by adopting a reserve funding plan that accounts for the long-term repair and replacement of common elements, such as private roads and parks. An increase in assessments is necessary to ensure that funds are available for anticipated maintenance and to maintain the current level of service throughout the community.

A detailed account of anticipated income and expenses is set forth in the 2025 Budget for your consideration. Please review carefully then provide any questions or concerns you may have *prior to ratification*. If the budget is rejected by the membership, the Association must revise its current scope of work and disclose the insufficient funding plan (and resulting deficit) to lenders and prospective buyers, which could preclude Ponderosa Ridge homes from traditional lending and deter potential purchasers. For these reasons, ratification of the proposed budget is critical.

Upon ratification of the proposed 2025 Budget, the following assessment rates will be imposed effective January 1, 2025:

Main Association dues will increase from \$47 to \$48 per month.

Cottages and Townhomes dues will increase from \$183 to \$185, which brings the total monthly assessment to \$233 (= \$185 Cottages/Townhomes + \$48 Main).

Rosebury Commons dues will increase from \$170 to \$180, which brings the total monthly assessment to \$396 (= \$180 Rosebury + \$168 Private + \$48 Main).

Private Street dues will increase from \$160 to \$168, which brings the total monthly assessment to \$216 (= \$168 Private + \$48 Main).



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In December, an assessment payment coupon book will be sent to all homeowners *except those enrolled in Auto Pay through the Portal*. Aside from the forthcoming payment coupon book, no additional notice will be sent regarding the 2025 assessment. To avoid an underpayment, please make arrangements now to remit the new amount in January. Refer to the enclosed document titled "Assessment Payment Methods" for remittance instructions.

* * If you are enrolled in Portal AutoPay, nothing further is required from you. The monthly debit amount will be adjusted on your behalf beginning in January 2025.

As always, we thank you for your continued partnership in promoting a high quality of life at Ponderosa Ridge. We look forward to another successful year together.

In partnership,

Ponderosa Ridge Homeowners Association
c/o Rockwood Property Management

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2025 Budget - Ponderosa Ridge HOA (Main)

INCOME		2024	2024 Actuals	2025
Assessments		Budget	+Remain Budget	Budget
5010	Dues: Master HOA	\$ 130,840.08	\$ 130,213.19	\$ 133,623.03
	Delinquency	\$ (2,000.00)	\$ -	\$ (2,000.00)
Total Homeowner Assessment:		\$ 128,840.08	\$ 130,213.19	\$ 131,623.03
Other Income				
5014	Transfer Fee	\$ -	\$ 250.00	\$ -
5020	Late Charges	\$ 1,800.00	\$ 1,552.34	\$ 1,800.00
5021	Late Interest	\$ 150.00	\$ 166.48	\$ 150.00
5026	Fine Income	\$ -	\$ -	\$ -
5032	Lien Income	\$ -	\$ 100.00	\$ -
5050	Interest Income	\$ 48.00	\$ 2,241.81	\$ 2,760.00
Total Income:		\$ 130,838.08	\$ 134,523.82	\$ 136,333.03
EXPENSES		2024	2024 Actuals	2025
Snow Removal Expenses		Budget	+Remain Budget	Budget
6615	Main Sidewalks and Sundance Dr.	\$ 7,047.00	\$ 1,955.25	\$ 8,829.00
Snow Removal Total:		\$ 7,047.00	\$ 1,955.25	\$ 8,829.00
Landscaping Expenses				
6810	Mowing - Commons	\$ 26,195.35	\$ 30,895.55	\$ 28,132.90
6820	Fertilize - Commons	\$ 5,079.40	\$ 3,809.55	\$ 3,809.55
6830	Turf Spray - Commons	\$ 2,891.23	\$ 4,969.80	\$ 4,733.33
6843	Master Tree Program	\$ 9,600.73	\$ 14,071.07	\$ 9,600.73
6850	Flowers (Planting/Maintenance)	\$ 1,135.75	\$ 1,102.17	\$ 1,135.75
6860	Sprinkler Turn On & Blow Out	\$ 2,120.05	\$ 2,120.05	\$ 2,120.05
6880	Landscape Labor	\$ 6,650.00	\$ 6,494.84	\$ 6,650.00
6890	Misc. Landscape (Bed Weeding)	\$ 2,556.05	\$ 1,874.80	\$ 2,419.80
Landscaping Total:		\$ 56,228.56	\$ 65,337.83	\$ 58,602.11
Community Event Expenses				
6120	HOA Annual Party	\$ 4,000.00	\$ 4,097.82	\$ 4,200.00
Community Event Total:		\$ 4,000.00	\$ 4,097.82	\$ 4,200.00
Common Area Utilities				
6415	Irrigation Timers/Street Lights	\$ 8,260.00	\$ 8,569.07	\$ 8,839.15
6420	Water	\$ 4,707.00	\$ 3,846.42	\$ 4,085.69
Common Area Utilities Total:		\$ 12,967.00	\$ 12,415.49	\$ 12,924.84
Common Area Repair & Maintenance				
6630	Site Amenities & Graffiti	\$ -	\$ -	\$ -
6630	Dog Station Supplies/Services	\$ 6,221.05	\$ 6,247.98	\$ 6,221.05
Common Area Repair & Maintenance Total:		\$ 6,221.05	\$ 6,247.98	\$ 6,221.05
Administrative Expenses				
6135	Board & Annual Meetings	\$ 125.00	\$ 148.78	\$ 125.00
6305	Accounting	\$ 3,120.00	\$ 3,120.00	\$ 3,185.00
6306	Legal	\$ -	\$ 359.50	\$ -
6308	Lien Expense	\$ -	\$ 100.00	\$ -
6310	Insurance Expense	\$ 2,937.00	\$ 2,937.00	\$ 3,230.70
6330	Bank Charges	\$ -	\$ -	\$ -
6626	Postage	\$ 2,225.00	\$ 2,545.24	\$ 2,275.00
6635	Special Projects	\$ -	\$ -	\$ -
6900	Web Fees/ Maintenance	\$ 176.48	\$ 179.55	\$ 179.82
7505	Management Fee	\$ 16,008.00	\$ 16,008.00	\$ 16,008.00
7508	Property Taxes	\$ 25.00	\$ 23.50	\$ 25.00
7515	Income Tax	\$ 782.73	\$ 783.00	\$ 1,420.22
6620	Reserve Fund	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00
Administrative Total:		\$ 42,399.21	\$ 43,204.57	\$ 43,448.74
Total Expenses:		\$ 128,862.81	\$ 133,258.94	\$ 134,225.73
NET CASH FLOW:		\$ 1,975.27	\$ 1,264.88	\$ 2,107.30
BEGINNING CASH BALANCE:		\$ 63,569.07	\$ 63,569.07	\$ 64,833.95
ENDING CASH BALANCE:		\$ 65,544.34	\$ 64,833.95	\$ 66,941.25

2025 Budget - Ponderosa Ridge HOA (Cottages)

INCOME		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
5010	Dues: Townhome/Cottages	\$ 39,539.06	\$ 42,349.49	\$ 39,971.18
5013	Special Assessment	\$ -	\$ -	\$ -
Total Homeowner Assessments:		\$ 39,539.06	\$ 42,349.49	\$ 39,971.18

EXPENSES		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
Landscaping Expenses				
6615	Snow Removal	\$ 7,793.50	\$ 5,166.60	\$ 7,793.50
6810	Mowing - Commons/Fall clean	\$ 14,333.50	\$ 15,918.50	\$ 14,333.50
6820	Fertilize - Commons	\$ 801.15	\$ 779.35	\$ 801.15
6830	Turf Spray - Commons	\$ 525.93	\$ 643.10	\$ 820.93
6843	Master Tree Program	\$ 1,448.30	\$ 948.30	\$ 1,448.30
6860	Sprinkler Turn On & Blow Out	\$ 991.90	\$ 991.90	\$ 991.90
6880	Landscape Labor	\$ 450.00	\$ -	\$ 450.00
6890	Misc. Landscape (Planter Beds/swale)	\$ 5,967.75	\$ 4,915.90	\$ 5,967.75
		\$ 32,312.03	\$ 29,363.65	\$ 32,607.03

Common Area Repair & Maintenance

6630	Repairs & Maintenance	\$ -	\$ -	\$ -
Common Area Repair & Maintenance Total:		\$ -	\$ -	\$ -

Other Expenses		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
6415	Electricity	\$ 300.00	\$ 300.00	\$ 350.00
6420	Water	\$ 3,000.00	\$ 3,000.00	\$ 3,500.00
6440	Street Cleaning & Maintenance Allowance	\$ -	\$ -	\$ -
6635	Capital Improvements	\$ -	\$ -	\$ -
7505	Management Fee	\$ 1,512.00	\$ 1,512.00	\$ 1,512.00
6620	Reserve Funding	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
		\$ 6,812.00	\$ 6,812.00	\$ 7,362.00

TOTAL EXPENSES: \$ 39,124.03 \$ 36,175.65 \$ 39,969.03

NET CASH FLOW: \$ 415.03 \$ 6,173.84 \$ 2.16

BEGINNING CASH BALANCE: \$ (2,525.20) \$ (2,525.20) \$ 5,648.64

ENDING CASH BALANCE + Capital: \$ (2,110.17) \$ 5,648.64 \$ 7,650.80

2025 Budget - Ponderosa Ridge HOA (Rosebury Commons)

INCOME

Assessments

		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
5010	Dues:	\$ 30,602.44	\$ 30,548.98	\$ 32,402.58
5013	Special Assessment	\$ -	\$ -	\$ -
	Estimated percentage of monthly payments	\$ -	\$ -	\$ -
Total Homeowner Assessments:		\$ 30,602.44	\$ 30,548.98	\$ 32,402.58

EXPENSES

Landscaping Expenses

		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
6615	Snow Removal	\$ 7,793.50	\$ 10,246.00	\$ 8,393.00
6812	Mowing - Homes/Fall clean	\$ 13,347.05	\$ 13,772.15	\$ 13,347.05
6822	Fertilize - Homes	\$ 735.75	\$ 735.75	\$ 735.75
6832	Turf Spray - Homes	\$ 542.28	\$ 675.80	\$ 896.53
6843	Master Tree Program	\$ 1,669.57	\$ 1,169.57	\$ 1,669.57
6860	Sprinkler Turn On & Blow Out	\$ 1,248.05	\$ 1,248.05	\$ 1,248.05
6880	Landscape Labor	\$ -	\$ -	\$ -
6890	Misc. Landscape (Planter Beds/swale)	\$ 3,547.95	\$ 2,910.30	\$ 3,547.95
Total Landscaping:		\$ 28,884.15	\$ 30,757.62	\$ 29,837.90

Administrative Expenses

		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
7505	Management Fee	\$ 1,260.00	\$ 1,260.00	\$ 1,260.00
Total Other:		\$ 1,260.00	\$ 1,260.00	\$ 1,260.00

TOTAL EXPENSES: \$ 30,144.15 \$ 32,017.62 \$ 31,097.90

NET CASH FLOW: \$ 458.29 \$ (1,468.64) \$ 1,304.69

BEGINNING CASH BALANCE: \$ (1,948.75) \$ (1,948.75) \$ (3,417.39)

ENDING CASH BALANCE: \$ (1,490.46) \$ (3,417.39) \$ (2,112.70)

2025 Budget - Ponderosa Ridge HOA (Private Streets)

INCOME		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
5010	Dues: Utility Assessment	\$ 339,915.95	\$ 343,282.81	\$ 356,911.75
	Delinquency	\$ (4,500.00)	\$ -	\$ (4,500.00)
Total Homeowner Assessments:		\$ 335,415.95	\$ 343,282.81	\$ 352,411.75

EXPENSES		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
Snow Removal				
6615	Private Streets	\$ 12,589.50	\$ 3,242.75	\$ 11,902.80
Snow Removal Total:		\$ 12,589.50	\$ 3,242.75	\$ 11,902.80

Common Area Repair & Maintenance		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
6440	Private Streets	\$ -	\$ -	\$ -
6630	Site Amenities	\$ -	\$ -	\$ -
6830	Curb Line Spraying	\$ 321.55	\$ -	\$ 321.55
Common Area Repair & Maintenance Total:		\$ 321.55	\$ -	\$ 321.55

Utilities		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
6410	Refuse Removal	\$ 38,020.51	\$ 39,466.18	\$ 42,228.84
6420	Water	\$ 94,492.05	\$ 81,394.12	\$ 100,421.83
6425	Sewer	\$ 151,351.66	\$ 147,945.13	\$ 153,391.38
6430	Recycling	\$ 833.23	\$ (1.60)	\$ (0.22)
6435	Storm Water	\$ 10,965.02	\$ 10,731.83	\$ 11,128.18
7505	Management Fee	\$ 3,186.00	\$ 3,186.00	\$ 3,186.00
6620	Capital Reserve	\$ 22,000.00	\$ 22,000.00	\$ 27,000.00
Utility Total:		\$ 320,848.48	\$ 304,721.66	\$ 337,356.01

Total Expenses	\$	333,759.53	\$	307,964.41	\$	349,580.36
Net Cash Flow	\$	1,656.42	\$	35,318.40	\$	2,831.39

BEGINNING CASH BALANCE:	\$	62,775.98	\$	62,775.98	\$	98,094.38
ENDING CASH BALANCE:	\$	64,432.40	\$	98,094.38	\$	100,925.77

2025 Capital Expense Budget - Ponderosa Ridge HOA - Main

INCOME:		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
5000-900	Reserve Contribution (Assessments)	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00
5050-900	Interest	\$ 2,772.00	\$ 2,592.24	\$ 2,772.00
Total Income:		\$ 19,772.00	\$ 19,592.24	\$ 19,772.00

Capital Expenses:		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
6621-900	Curb drainage	\$ -	\$ -	\$ -
6621-900	Asphalt Seal Coating Bike Paths	\$ -	\$ -	\$ -
6621-900	Sidewalk Repairs	\$ 15,850.00	\$ 15,850.00	\$ 2,500.00
Total Expenses:		\$ 15,850.00	\$ 15,850.00	\$ 2,500.00
Net Cash Flow:		\$ 3,922.00	\$ 3,742.24	\$ 17,272.00

BEGINNING CASH BALANCE: \$ (3,137.40) \$ (3,137.40) \$ 604.84
ENDING CASH BALANCE: \$ 784.60 \$ 604.84 \$ 17,876.84

2025 Capital Expense Budget - Ponderosa Ridge HOA Townhomes & Cottages

INCOME:		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
5000-901	Reserve Contribution (Assessments)	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
5050-901	Interest	\$ -	\$ -	\$ -
Total Income:		\$ 2,000.00	\$ 2,000.00	\$ 2,000.00

Capital Expenses:		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
6621-901	Concrete/Asphalt	\$ -	\$ -	\$ -
Total Expenses:		\$ -	\$ -	\$ -
Net Cash Flow:		\$ 2,000.00	\$ 2,000.00	\$ 2,000.00

BEGINNING CASH BALANCE: \$ 2,000.00 \$ 2,000.00 \$ 4,000.00
ENDING CASH BALANCE: \$ 4,000.00 \$ 4,000.00 \$ 6,000.00

2025 Capital Expense Budget - Ponderosa Ridge HOA - Private Streets

INCOME:		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
5000-903	Reserve Contribution (Assessments)	\$ 22,000.00	\$ 22,000.00	\$ 27,000.00
5050-903	Interest	\$ -	\$ -	\$ -
Total Income:		\$ 22,000.00	\$ 22,000.00	\$ 27,000.00

Capital Expenses:		2024 Budget	2024 Actuals +Remain Budget	2025 Budget
6621-903	Asphalt Seal Coating Private	\$ 15,695.76	\$ 12,809.91	\$ 15,695.76
Total Expenses:		\$ 15,695.76	\$ 12,809.91	\$ 15,695.76
Net Cash Flow:		\$ 6,304.24	\$ 9,190.09	\$ 11,304.24

BEGINNING CASH BALANCE: \$ 112,000.00 \$ 112,000.00 \$ 121,190.09
ENDING CASH BALANCE: \$ 118,304.24 \$ 121,190.09 \$ 132,494.33

RESERVE FUNDING DISCLOSURE per RCW 64.38.25

The following information has been extracted from the most recent reserve funding models for compilation herein per requirements set

- a) Next year's reserve contribution: **\$46,000.00**
 Funding plan on which it's based: **Reserve Study dated 1/24/20 - Directed Cash Flow**
- b) Planned special assessments: **NO**
- c) Will reserves will be sufficient at the end of each year? **NO**
- d) Will additional funds be needed and if so, when? **YES - a subsequent assessment increase will be necessary in 2025 to provide for sufficient reserve funding moving forward.**
- e) Recommended balance by current year end: **\$393,100.00**
 Projected balance by current year end: **\$125,794.93**
 Percent funded by current year end: **32%**
- f)

	Projected Balance	Estimated Reserve Balance	% Funded
Estimated reserve balance by yearend 2025:	\$431,457	\$246,985	57%
Estimated reserve balance by yearend 2026:	\$414,657	\$295,105	71%
Estimated reserve balance by yearend 2027:	\$467,021	\$344,669	74%
Estimated reserve balance by yearend 2028:	\$345,000	\$395,720	115%
Estimated reserve balance by yearend 2029:	\$367,947	\$448,302	122%