

BOOTH FARMS COMMUNITY ASSOCIATION
NOTES TO RESERVE ANALYSIS AND OPERATING Budget

Uses of Reserves

Outlot O Improvements

\$31500 for anticipated improvements to Outlot O

Contingency/Miscellaneous

1% of budgeted costs from Reserve Expenditures

Sources of Operating Cash

Association Dues

Revenue based on 303 homes paying dues on a semi-annual basis. Receipt of 100% of dues.

Late Fee Income

Not Budgeted - Assume all payments received in time on a monthly basis.

Lien Fee Income

Not Budgeted - Cost of lien initially paid by association, but billed back to Homeowner (offsets corresponding expense)

Legal Fee Income

Not Budgeted - Cost of legal initially paid by association, but billed back to Homeowner (offsets corresponding expense)

Fine Income

Not Budgeted - Assume no fines will be assessed

Miscellaneous Revenue

Not Budgeted - Assume no miscellaneous revenues

Operating Expenses

Electricity

5 Meters at a minimum of \$11.50/month

Trash Removal

Based upon Contract - 5% increase in Sept Anticipated - 279 Homes currently being serviced

Water

Estimates excluding water on Brownbelt Park from 2009 Actuals

Insurance

Based upon prior year's expenditures

Landscape Maintenance Contract

Based upon current contract with CoCal Landscaping that renews in 10/2010. - EXCLUDES MAINT OF BROWN BELT PA

Tree Repair & Mentance

\$2000 budgeted for Tree Replacements and pesticide applications

Irrigation Repair & Maintenance

Nominal amount included for start up & mid season repairs

Grounds Repairs & Improvements

3 mowings of Outlot A - \$480/mowing

Snow Removal

Initial estimate based on a "normal" snowfall year. - EXCLUDES SNOW REMOVAL IN BROWN BELT PARK

Community Events

Annual BBQ

Internet / Website Service

Domain Name Registration

Legal Fees - Homeowner

Not Budgeted - Cost of collections billed back to homeowner resulting in no effect on association

Bad Debt

Assume no bad debt will be incurred - All assessments billed will be 100% collectable

Miscellaneous Operating Expenses/Contingency

.5% Contingency fee based upon monthly expenditures

Management Fee

Foster Management agreement in force until 07/2011

A/R Processing Fee

Foster Mangement Processing fee of \$10/delinquent account per month not budgeted. Late fee covers cost of processing
Neither the late fee or processing fee are budgeted.

Lien Fees

Not Budgeted - Cost of lien billed back to homeowner resulting in no effect on association

Legal Fees - General

Contingency for Legal Issues Encountered by Board

Accounting / Tax Preparation

Based upon Foster Mgmt fee to prepare annual tax return.

Postage

\$35/month postage plus \$130 for newsletter (303 homes @ \$.42/newsletter = \$127 ~130)

Transfer to Reserves

\$10,000 per Assessment to be transferred to reserves to cover future capital replacement items

Booth Farms Community Assoc.
3 Year Comparative Income Statement
For Fiscal Years 2008, 2009 2010

Fiscal Year	2008 ACTUAL (Merger)	2009 ACTUAL	2010 PROPOSED	
Sources of Reserves				
Beginning Balance	\$37,673	\$61,188	\$68,804	
Interest	\$1,514	\$1,347	\$1,001	
Transfer from Operating	\$22,000	\$22,000	\$20,000	
Total Sources of Reserves	\$61,188	\$84,535	\$89,805	
Uses of Capital Reserves				
Monument - Rebuild	\$0	\$15,731	\$0	
Landscape Replacement	\$0	\$0	\$0	
Outlot O Improvements			\$31,500	
Contingency / Misc. Costs	\$0	\$0	\$315	
Total Uses of Reserves	\$0	\$15,731	\$31,815	
Balance in Reserves at End of Year	\$61,188	\$68,804	\$57,990	
Annual Dues (After Dues Increase)	\$ 320.00	\$ 320.00	\$ 320.00	Operating
Sources of Operating Cash				
Beginning Balance	\$32,348	\$64,213	\$70,197	Income/Loss
Association Dues	\$105,180	\$96,960	\$96,960	\$96,960
Late Fee Income	\$17,410	\$13,035	\$0	
Lien Fee Income	\$1,950	\$450	\$0	
Legal Fee Income (Collections Billed to Homeowner)	\$2,551	\$1,685	\$0	
Fine Income	\$3,075	\$475	\$0	
Miscellaneous Revenue	\$548	\$568	\$0	
Total Sources of Operating Cash	\$163,061	\$177,385	\$167,157	
Uses of Operating Cash				
Operating Expenses				
Water	\$7,764	\$7,896	\$8,090	
Trash Removal	\$29,298	\$32,416	\$34,878	
Electricity	\$394	\$676	\$690	
Insurance	\$3,102	\$3,562	\$3,000	
Landscape Maintenance Contract	\$6,497	\$6,361	\$6,371	Increase for OR
Tree Repair & Maintenance	\$0	\$1,469	\$2,000	
Fence Repair & Maintenance	\$0	\$0	\$0	
Irrigation Repair & Maintenance	\$2,009	\$0	\$1,200	
Grounds Repairs & Improvements	\$4,865	\$8,381	\$1,440	
Snow Removal	\$735	\$1,875	\$1,250	
Pet Waste Cleanup	\$0	\$0	\$0	
Community Events	\$1,594	\$1,345	\$1,500	
Internet / Website Service	\$0	\$10	\$10	
Legal Fees - Homeowners	\$2,551	\$1,685	\$0	
Filing Fees	\$20	\$10	\$10	
Management Fee	\$14,699	\$14,350	\$14,700	
A/R Processing Fee	\$4,105	\$3,110	\$0	
Lien Fees	\$1,950	\$450	\$0	
Legal Fees - General	\$3,284	\$337	\$1,000	
Accounting / Tax Preparation	\$250	\$250	\$250	
Administrative / Office Supplies	\$51	\$0	\$0	
Postage - General	\$1,205	\$719	\$810	
Bad Debt	\$3,067	\$2,742	\$0	
Miscellaneous Operating Expenses/Contingency	\$1,199	\$650	\$386	
Total Operating Expenses	\$88,640	\$88,294	\$77,584	-\$77,584
Net Operating Cash Before Transfer to Reserves	\$74,422	\$89,091	\$89,573	
Cash Transferred to Reserves	-\$22,000	-\$22,000	-\$20,000	-\$20,000
Adjustment for Accounts Receivable/Prepaid Dues/Accts. Payable	\$11,791			
Net Operating Cash After Transfer to Reserves	\$64,213	\$67,091	\$69,573	-624