

BOOTH FARMS COMMUNITY ASSOCIATION
NOTES TO RESERVE AND OPERATING BUDGET

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 - 6% increase in Sept Anticipated - 279 Homes currently being serviced

Water

Estimates based on 2010 Actuals, Increased for Outlot O watering

Insurance

Based upon prior year's expenditures

Landscape Maintenance Contract

Based upon current contract with CoCal Landscaping that renews in 10/2010.

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.

Community Events

No budgeted for 2011

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 @ \$.46/newsletter = \$139.38 ~130)

Transfer to Reserves

\$8,000 per Assessment to be transferred to reserves to cover future capital replacement items

Median Landscaping

\$7000 for anticipated improvements to one of the Booth Dr Entrances

Outlot O/A Improvements

\$25000 for anticipated improvements to Outlot O

Contingency/Miscellaneous

1% of budgeted costs from Reserve Expenditures

Booth Farms Community Association
Profit & Loss Budget vs. Actual
2010 & 2011

	2010			2011
	Jan - Dec 10	Budget	\$ Over Budget	Budget
Ordinary Income/Expense				
Income				
4000 · Association Dues	96,960.00	96,960.00	0.00	96,960.00
4100 · Fee Income				
4140 · Returned Check Fee	50.00	0.00	50.00	0.00
4150 · Late Fees	12,505.00	0.00	12,505.00	0.00
4160 · Fine Fee Income	1,075.00	0.00	1,075.00	0.00
4170 · Lien Fee	450.00	0.00	450.00	0.00
4175 · Legal Fee Reimbursement	449.00	0.00	449.00	0.00
4500 · Interest Income	3.00	0.00	3.00	0.00
Total Income	111,492.00	96,960.00	14,532.00	96,960.00
Expense				
5000 · Operating Expenses				
5010 · Electricity	620.36	696.00	-75.64	690.00
5040 · Trash Removal	34,565.04	34,878.00	-312.96	36,819.00
5050 · Water	9,763.92	8,090.00	1,673.92	9,590.00
5100 · Insurance	3,764.00	3,000.00	764.00	3,600.00
5200 · Maintenance				
5210 · Landscape Maintenance Contract	6,370.70	6,371.00	-0.30	6,371.00
5230 · Tree Repair & Maintenance	195.00	2,000.00	-1,805.00	2,000.00
5250 · Irrigation Repair & Maintenance	972.41	1,200.00	-227.59	1,200.00
5260 · Grounds Repairs & Improvements	2,922.29	1,440.00	1,482.29	1,440.00
Total 5200 · Maintenance	10,460.40	11,011.00	-550.60	11,011.00
5300 · Snow Removal	2,362.50	1,250.00	1,112.50	2,000.00
6010 · Mailings to Homeowners	321.45	0.00	321.45	0.00
6020 · Community Events	8.00	1,500.00	-1,492.00	0.00
6030 · Internet / Website Service	66.28	10.00	56.28	10.00
6500 · Legal Fees - Homeowner	449.00	0.00	449.00	0.00
6510 · Filing Fees	10.00	10.00	0.00	10.00
6890 · Bad Debt Expense	12,104.52	0.00	12,104.52	0.00
9001 · Transfers Out to Reserves	20,000.00	20,000.00	0.00	16,000.00
6900 · Miscellaneous Operating Expense	11.57	386.00	-374.43	402.00
Total 5000 · Operating Expenses	94,507.04	80,831.00	13,676.04	80,132.00
7000 · Administrative Expenses				
7100 · Management Fee	14,700.00	14,700.00	0.00	14,700.00
7105 · A/R Processing Fee	3,370.00	0.00	3,370.00	0.00
7107 · Lien Filing Fee	450.00	0.00	450.00	0.00
7110 · Legal Fees - General	600.00	1,000.00	-400.00	1,000.00
7120 · Accounting / Tax Preparation	250.00	250.00	0.00	250.00
7150 · Postage - General	597.70	810.00	-212.30	810.00
7160 · Bank Service Charges	50.00	0.00	50.00	0.00
Total 7000 · Administrative Expenses	20,017.70	16,760.00	3,257.70	16,760.00
Total Expense	114,524.74	97,591.00	16,933.74	96,892.00
Net Ordinary Income	-3,032.74	-631.00	-2,401.74	68.00
Reserve Income/Expense				
9000 · Transfers In to Reserves	20,000.00	20,000.00	0.00	16,000.00
4550 · Reserve Interest Income	1,192.89	1,003.00	189.89	1,098.00
9100 · Reserve Expenses				
9120 · Reserves - Landscape	7,595.00	31,500.00	-23,905.00	32,000.00
9220 · Reserves - Miscellaneous	0.00	315.00	-315.00	320.00
Total 9100 · Reserve Expenses	7,595.00	31,815.00	-24,220.00	32,320.00
Total Reserve Expense	13,597.89	-10,812.00	24,409.89	-15,222.00