

THE MEADOWS AT WALNUT BANK FARM CONDOMINIUM ASSOCIATION
2017 BUDGET

INCOME

Assessments	\$435,020
Interest	7,380
Resale Capital	6,000
Late Charges	<u>2,000</u>
TOTAL INCOME	<u><u>\$450,400</u></u>

EXPENSES

Grounds Maintenance	\$61,370
Insurance	57,700
Snow Removal	54,640
Management Service	47,440
Trash Removal	40,630
Repairs & Maintenance	32,080
Telephone	21,600
Site Lighting	19,920
Fire Alarms & Sprinklers	13,500
Office & Administrative	6,080
Contingency	5,000
Legal & Accounting	2,000
Water	880
Corporate Tax	<u>410</u>
TOTAL EXPENSES	\$363,250

CAPITAL RESERVE & CONTRIBUTED CAPITAL

(Includes Interest of \$7,280)

87,150

TOTAL EXPENSES & RESERVE

\$450,400

THE MEADOWS AT WALNUT BANK FARM CONDOMINIUM ASSOCIATION
2017 BUDGET ANALYSIS

INCOME:

Assessments: The monthly assessment is \$159, an increase of \$5.

Interest: Projected at 1.0% on the Association's operating, reserve and capital funds.

Resale Capital: It is projected that 12 homes will be resold and pay a capital contribution of \$500, which will be transferred to the capital fund.

Late Charges: It is anticipated that some homeowners will pay their assessment late each month and incur a late charge.

EXPENSES:

Grounds Maintenance: The budget includes 24 mowings per year, regular edging of sidewalks, spring and fall clean-up of the common ground, annual trimming of shrubbery, re-mulching and edging of the shrubbery beds in the spring, and turf applications to all lawn areas. The budgeted amount includes \$2,500 for non-contract landscaping services.

Insurance: The Association will maintain building and unit property coverage, directors & officer's liability insurance, general liability insurance, plus fidelity coverage in accordance with FHA requirements. Each owner is responsible for obtaining their personal insurance, including a minimal amount of building coverage (not less than \$5,000), and contents and liability coverage.

Snow Removal: The Association will plow private roads, parking areas and shovel all sidewalks when there is an accumulation of snow of 2" or more. The budgeted amount is the same as the 2016 budget. If the Association goes over budget in 2017, a special assessment may be needed.

Management Service: In accordance with the existing Management Agreement.

Trash Removal: The Association is responsible for twice per week curbside service, including recycling. The monthly unit cost is \$14.85.

Repairs & Maintenance: The Association is responsible for maintaining the exterior of all of the units and common ground, as well as repairs to the common area sprinkler system. The projected cost is \$2,590 per month, plus \$1,000 annually for common area exterminating.

THE MEADOWS AT WALNUT BANK FARM CONDOMINIUM ASSOCIATION
2017 BUDGET ANALYSIS
- Continued -

Telephone: Each of the 24 buildings has two phones connected to the fire monitoring system. The projected monthly cost is \$1,800.

Site Lighting: The Association is responsible for the cost of electricity to the 14 streetlights at a cost of \$460 per month. Also, the Association is responsible for heating the buildings' utility closets where the water pipes are located to keep from freezing and the lights outside the buildings. The projected cost is \$100 per month for each building during the winter months.

Fire Alarms & Sprinklers: An independent security company monitors the sprinkler system. The monthly charge for the 24 buildings, including inspections of the fire sprinkler system, is projected at \$1,125.

Office & Administrative: Includes the estimated cost of Association stationery, postage, copying, mailings, assessment coupons, lockbox fees, court costs and other miscellaneous Association expenses.

Contingency: An amount to replenish the operating reserve over the next three years.

Legal & Accounting: Includes the cost for an accountant to prepare the year-end financial statement and tax return. Funds are also provided for routine legal activity.

Water: Projected at \$220 per quarter.

Corporate Tax: The Association is responsible for paying tax on its net interest income.

CAPITAL RESERVE & CONTRIBUTED CAPITAL: In accordance with the Capital Reserve Analysis, \$27 from each monthly assessment will be placed into a separate reserve fund. In addition, all interest earned on the reserve fund, projected at \$6,880, will be retained in the account.

The Association has a total Capital Contribution Assessment of \$6,000 budgeted for all resales of homes within the community. Any assessments received for resale Capital Contributions will be placed in the Capital account. All interest earned on the Capital funds, projected at \$400, will be retained in the account.