

Park Lake Villas  
Budget Worksheet  
2009

	Actual 12/31/2007	Budget 2008	Estimated 12/31/2008	(Fav)/Unfav Variance from Bgt	Proposed 2009	2009 Per Unit Per Month		Budget Inc/(Decr)
<b>REVENUE:</b>								
Assessment Income	\$183,600	\$230,400	\$230,400	\$0	\$ 230,400	\$ 320.00	1	\$ -
Special Assessment	18,000	-	-	-	-	-		-
Insurance Assessment	36,000	-	-	-	-	-		-
Late Fees	1,475	300	767	467	300	0.42	2	-
Transfer Fees	800	200	220	20	200	0.28	3	-
Reimbursed Legal Fees	-	-	400	400	-	-	4	-
Interest	578	140	274	134	140	0.19	5	-
Carryover S/A surplus	-	10,300	-	(10,300)	6,000	8.33		(5.97)
Misc. Income	31	100	453	353	-	-		(0.14)
<b>Total</b>	<b>240,484</b>	<b>241,440</b>	<b>232,515</b>	<b>(8,925)</b>	<b>237,040</b>	<b>329.22</b>		<b>(6.11)</b>
<b>EXPENDITURES:</b>								
<b>Utilities</b>								
Electricity	7,200	7,300	7,174	(126)	7,200	10.00	6	(0.14)
Trash Removal Svc	9,567	9,400	10,081	681	10,100	14.03	7	0.97
<b>Sub Total</b>	<b>16,767</b>	<b>16,700</b>	<b>17,256</b>	<b>556</b>	<b>17,300</b>	<b>24.03</b>		<b>0.83</b>
<b>Operating/Maintenance</b>								
Grounds Contract	20,913	20,400	20,400	-	20,400	28.33	8	-
Landscape Repl	3,596	3,000	3,000	-	3,000	4.17	9	-
Mulch & Plants	117	5,000	5,000	-	5,000	6.94	10	-
Tree Trimming	1,721	1,500	1,500	-	1,500	2.08	11	-
Sprinkler	1,800	-	-	-	-	-		-
Grounds Pest	3,167	2,700	3,400	700	2,700	3.75	12	-
<b>Sub Total</b>	<b>31,314</b>	<b>32,600</b>	<b>33,300</b>	<b>700</b>	<b>32,600</b>	<b>45.28</b>		<b>-</b>
<b>General R&amp;M</b>								
Building Supplies	893	600	88	(512)	600	0.83	13	-
Grounds Supplies & Other	-	200	103	(97)	200	0.28	14	-
Pool Contract	2,981	2,520	3,000	480	3,000	4.17	15	0.67
Pool Chemicals	1,199	1,000	1,000	-	1,000	1.39	16	-
Equipment Repair	2,067	1,700	725	(975)	1,700	2.36	17	-
Water/Sewer	245	250	169	(81)	250	0.35	18	-
Dryer Vent Cleaning	-	4,500	-	(4,500)	4,500	6.25	19	-
Irrigation Repairs	5,471	2,000	1,215	(785)	2,000	2.78	20	-
Building Repairs	4,080	20,000	6,426	(13,574)	20,000	27.78	21	-
Signage	929	-	1,598	1,598	200	0.28	22	0.28
Roof Repairs	22,070	15,575	14,693	(882)	5,375	7.47	23	(14.17)
Dumpster Clean Up	780	500	325	(175)	500	0.69	24	-
Sidewalk Cleaning	1,275	1,200	-	(1,200)	1,200	1.67	25	-
Special Assessment	13,700	-	-	-	-	-		-
<b>Sub Total</b>	<b>55,690</b>	<b>50,045</b>	<b>29,342</b>	<b>(20,703)</b>	<b>40,525</b>	<b>56.28</b>		<b>(13.22)</b>
<b>Professional Fees</b>								
Management	9,000	9,360	9,360	-	9,720	13.50	26	0.50
Insurance - Liability	46,966	60,000	46,930	(13,070)	46,200	64.17	27	(19.17)
Insurance - D&O	1,079	1,200	483	(717)	1,200	1.67	28	-
Legal	2,227	3,500	4,000	500	3,500	4.86	29	-
Audit/Tax Prep.	900	900	1,000	100	1,100	1.53	30	0.28
<b>Sub Total</b>	<b>60,172</b>	<b>74,960</b>	<b>61,773</b>	<b>(13,187)</b>	<b>61,720</b>	<b>85.72</b>		<b>(18.39)</b>

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**Administrative**

Taxes/Fees	364	340	311	(29)	315	0.44	31	(0.03)
Corp annual report	61	65	61	(4)	61	0.09	32	(0.01)
Postage/Supplies	4,642	3,500	2,034	(1,466)	2,750	3.82	33	(1.04)
Bad debt expense	-	-	9,000	9,000	1,000	1.39	47	1.39
Application fee	455	-	-	-	-	-	34	-
Social/Gift	810	200	-	(200)	-	-	35	(0.28)
Bank Charges	36	100	80	(20)	100	0.14	36	-
Misc.	154	515	600	85	100	0.14	37	(0.58)
Xfer to Reserve (ins)	-	-	10,000	10,000	-	-	-	-
Sub Total	<u>6,522</u>	<u>4,720</u>	<u>22,086</u>	<u>17,367</u>	<u>4,326</u>	<u>6.01</u>		<u>(0.55)</u>

Operating expenses	<b>170,464</b>	<b>179,025</b>	<b>163,757</b>	<b>(15,268)</b>	<b>156,471</b>	<b>217.32</b>		<b>(31.32)</b>
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**Reserves**

Road	9,576	9,550	9,550	(0)	8,607	11.95	38	(1.31)
Painting	8,750	8,745	8,745	-	8,516	11.83	39	(0.32)
Roof	19,042	18,970	18,970	(0)	19,568	27.18	40	0.83
Gutters	1,689	1,660	1,660	(0)	1,653	2.30	41	(0.01)
Siding	6,388	7,220	7,220	(0)	7,214	10.02	42	(0.01)
Pool	8,593	6,745	6,745	(0)	4,127	5.73	43	(3.64)
Fence	5,721	5,875	5,875	(0)	5,927	8.23	44	0.07
Termite	-	780	780	-	693	0.96	45	(0.12)
Deferred Maintenance	2,915	3,185	3,185	(0)	24,125	33.51	46	29.08
Sub Total	<u>62,672</u>	<u>62,730</u>	<u>62,730</u>	<u>(0)</u>	<u>80,429</u>	<u>111.71</u>		<u>24.58</u>
Grand Total	<u><b>\$233,137</b></u>	<u><b>\$241,755</b></u>	<u><b>\$226,487</b></u>	<u><b>(\$15,268)</b></u>	<u><b>\$236,900</b></u>	<u><b>\$329.03</b></u>		<u><b>(\$6.74)</b></u>

Surplus/(Deficit)	\$7,347	(\$315)	\$6,028	\$6,343	\$140	\$	0.19	
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	Description/Assumptions
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- 1 This is the total that must be collected in assessments to cover all operating expenditures and reserve for major repairs and replacements funding.
- 2 Late fees are charged to accounts that are paid after the 10th of the month.
- 3 Transfer fees are those fees paid by prospective owners and tenants for processing their applications.
- 4 Owners whose accounts are sent to the attorneys for collection reimburse the Association for those expenses
- 5 Operating interest earned on the operating checking account is budgeted for here. Since interest rates and cash balances vary, we are conservative in

**EXPENDITURES:**

**Utilities**

- 6 This line item is for the electric expense for the irrigation and pool pumps.
- 7 This line item is for waste removal paid to the City of Maitand to empty our 3 dumpsters twice a week.

**Operating/Maintenance**

- 8 This is the fixed contract price paid monthly to the landscaper for mowing and trimming of grass and plants
- 9 This is the budget for replacement plants and trees on the property.
- 10 We budget to mulch the property once a year. Price includes delivery and labor
- 11 This line item covers trimming of large trees on Association property and tree limbs that encroach on our property. This item is not part of the monthly
- 12 This line item is for the cost of spraying plants and lawn areas periodically to prevent or treat pests.

**General R&M**

- 13 This line item is for miscellaneous supplies for building repairs and maintenance.
- 14 This line item is for miscellaneous supplies for landscaping repairs and maintenance.
- 15 This is the fixed contract price paid monthly to the pool service for maintaining the pool and related equipment.
- 16 This line item covers the chemicals used in the pool. The amount of chemicals vary from year to year depending upon the weather
- 17 This line item covers repairs to pool equipment.
- 18 This line item is for the water and sewer costs of maintaining the pool.
- 19 The line item is to cover the cost of maintaining the dryer vents. The vents go through the attic, which is common property, therefore the cost of cleaning the vents is an Association expense.
- 20 Irrigation repairs represents the funds for repairs on our sprinkler system. From time to time we have to replace sprinkler heads and hoses.
- 21 This line item contains the cost of replacing soffits on 4 of the 7 buildings, which are not stucco'ed
- 22 This line item covers the cost of purchasing various signs around the community.
- 23 The budget is for repairing roof leaks that spring up from time to time.
- 24 This expense is for hauling away furniture, building materials or any other large item, which people place in the dumpster areas, contrary to the community rules against doing so.
- 25 This item covers the cost of pressure washing the sidewalks once a year.

**Professional Fees**

- 26 This is the fixed fee for the management of our Association. It includes the accounting function and the manager's time at meetings and site visits.  
This line item is for the property liability and wind insurance on the property. Our carrier is Citizens through the State of Florida. Currently this is the only
- 27 carrier we can obtain because of aluminum wiring in 4 of the 7 buildings. A 10% increase in the premium is expected for the 2009/2010 policy year. The policy starts in April.
- 28 This line item is for Directors and Officers' liability insurance, which is mandatory for all Association Boards.
- 29 Legal expenses include fees for consulting with the Association Attorney on contracts and violations as well as collections. Some of the collections activities are billed to the homeowner and are recorded in item 4 above.
- 30 Based upon our annual assessments, Florida Statutes dictate that we need a CPA to Review our financial statements. We also have to file a tax return to report non-member income such as interest income.

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**Administrative**

- 31 This line item includes the \$4 per door fee that the Florida Department of Regulation and Licensing charges on an annual basis. It also includes the \$100 health permit fee required by Orange County for our pool.
- 32 Florida corporations are required to file an annual report to stay an active corporation. This is the standard fee for this report.
- 33 This line item covers all mailings and printing that the management company does on behalf of the Association.
- 47 The Association currently has one unit in foreclosure. It is unclear how much of the back assessments we will collect. Whether we end up collecting the funds, we still need to fund the unit's portion of expenses in order to achieve the Association's goals.
- 34 This line item is the amount the Association has to pay to the management company for processing a tenant or unit sale application. The cost includes a background check as required by our documents.
- 35 This line item is for any social activities that the social committee plans and conducts.
- 36 The bank charges us a fee for managing our accounts.
- 37 This line item is for any expenditure that does not fit into a specific category.

**RESERVES:**

Florida Statutes require Associations to propose a budget that fully funds the reserve for major repairs and replacements. Items that are required to be included on a "reserve schedule" include those items with a replacement cost of \$10,000 or greater and a useful life of more than one year. Below are the items that fit that requirement, unless otherwise noted. The reserve items are funded based upon an estimated replacement cost estimated by a Reserve Study performed in 2006 and increased for inflation. Please see the Reserve attachment for greater detail.

- 38 The Road replacement fund is for major repairs and maintenance of parking lots and concrete sidewalks
- 39 The Painting replacement fund is for periodic painting of the buildings, walls and other fixtures.
- 40 The Roof replacement fund is for replacing entire roofs or major portions of a roof.
- 41 The Gutter replacement fund is for replacement of gutters, drains and downspouts as a whole when needed. Ongoing repairs are recorded as operating expenses under building repairs
- 42 The Siding replacement fund is for replacing cedar siding on the buildings and dormers. We are currently replacing the cedar siding with hardy board in order to reduce the amount of maintenance on this item. Minor repairs are recorded as operating expenses under building repairs.
- 43 The Pool replacement fund is for replacing and repairing major components of the pool - including the pool decking, tile and marcite. Minor repairs to the pool and equipment are recorded as operating expenses.
- 44 The Fence replacement fund is for replacing or repairing major portions of the vinyl fencing in the dumpster areas or between units. Minor repairs are recorded as operating expenses under grounds supplies
- 45 The Termite replacement fund is for expenditures related to combating termite issues. The Association has kept a reserve of \$12,000 to pay for termite treatment
- 46 The Deferred Maintenance replacement fund contains several items, which are below the \$10,000 threshold, but for which the Board feels it prudent to put aside money. For example, the outdoor light fixture upgrade was paid out of this fund. The fund also includes amounts for additional landscaping upgrades do to the age of the current landscaping on the property.

Park Lake Villas, Inc.  
Reserve Analysis 2008

	Estimated Replacement Cost	Amount Funded 12/31/2008	Amount Remaining t/b Funded	Est. Remaining Life	Full Funding 2009	Monthly Funding 2009
8100 Total Pool	52,329.00	6,965.76	45,363.24	0-28	4,127.27	343.94
8010 Total Roads	118,281.00	39,235.70	79,045.30	1-28	8,607.21	717.27
Total Termite	12,000.00	9,922.12	2,077.88	3	692.63	57.72
8060 Total Roof	269,685.00	54,263.39	215,421.61	11	19,567.42	1,630.62
8050 Total Painting	56,140.00	30,593.02	25,546.98	3	8,515.66	709.64
8150 Total Fence	83,200.00	14,328.98	68,871.02	5-26	5,926.88	493.91
8063 Total Siding	65,850.00	8,140.27	57,709.73	8	7,213.72	601.14
8062 Total Gutters	37,750.00	5,246.68	32,503.32	12-27	1,652.73	137.73
8210 Total Deferred Maintenance	168,250.00	15,042.09	153,207.91	1-30	24,124.98	2,010.41
Total Reserves	863,485.00	183,738.01	679,746.99		80,428.49	6,702.37 111.71