

**Cottonwood
(2016 Budget Summary)**

INCOME

Assessment Fees: Operating expenses will be paid out of income from yearly assessment fees. Projected assessment fee income has been based on an annual assessment of \$385.00
Does not include lot count from additional homes sold.

EXPENSES

Administrative:

General Administrative – Projected expenses Based on past experience and assumed communication needs to the community. This line item includes envelopes, labels, fax, scans, folding and stuffing etc.

Application Processing– Projected expense is based on past expenditures to process resident ACC request. \$25 each.

Bad Debt – Projected loss of income due to foreclosures and waiving of fees.

Bank Charges – Projected NSF received. \$25 each

Billing & Collection – Projected expense for the collection of the delinquent accounts and annual billing statements.- title searches, credit bureau and liens

Meeting Room Rental – Expense to rent the meeting room for three meetings at the Civic Center

Records Storage – Projected expense of off-site storage of the association records.

Website – Projected expense for maintaining the site for the year.

Copies – Projected expense for communicating with property owners, paying vendors and general information to the Board.

Postage – Projected expense of postage for mail outs, statements, payments & letters sent to owners.

Professional Services:

Audit & Tax Service – Average cost for Franchised and Income tax returns

Legal Service /Collections – Projected re-billable attorney expense for handling delinquent accounts.

Management Fees – Associa /PMGH is proposing a management fee increase of 3% plus additional lots per contract.

Insurance with 10% increase using actual cost:

Property Insurance– Premium for general liability & property coverage

D & O – Premium renewal of existing coverage

Umbrella – Premium renewal of existing coverage

Utilities:

Electric Service – Projection based on projected 2015 usage. – 4 meters = \$380 average cost monthly

Water Service – Irrigation for parks and common areas – 6 meters - \$475 average cost monthly

Telephone Service – 911 phone service for pool.

Landscaping:

Grounds Maintenance Contract – Projected expense for contract with Green Master Lawn with a possible 3% increase.

Landscape Replacement – seasonal at entrances of Bamore and Hawthorne Pasture

Force Mows – Projected expense for mowing foreclosures

Irrigation Repair – Projected expense based on 2015

Pool Management – Projected expense based on 2015/2016 contract. Possible change in pool company for the new year

Maintenance & Repairs:

Electrical & Supplies/ Repairs – Projected expense for repairs to the lighting in the park and monument sign.

Fence Repairs/Maintenance – Projected expense to repair the reserve fencing

Monument Repairs – Projected expense to repair and power wash the sign.

General Repair/Maintenance – Projected expense for overall repairs

Park Repair & Maintenance – Projected expense for repairs

Pool Supplies/Repair – Projected expense for supplies and repairs to the pool area.

Signage Repair/Maintenance – Projected expense for repairs to sign.

Property/Real Estate Tax:

Real Estate Tax – Projected tax expense for common areas

Reserve Fund:

Extra funds from the expenses placed in a reserve account.