

Somerset Estates Homeowners Association

2019 Budget

Approved by Homeowner Vote on November 27, 2018

Account Name	2019 SEHOA Budget	Notes
OPERATING INCOME		
HOA Assessments (paid quarterly)	\$ 222,500	\$2,500 per home per year
Less Assessments Prepaid in Prior Year	\$ (10,225)	Captured as Net Income below
Late Fees/Finance Charges	\$ -	Unbudgeted
Transfer Fee Income	\$ -	Pass through income
Fines and Specific Assessments	\$ -	Option under new declaration
Miscellaneous Income - Eagle Pond	\$ 1,000	
Interest	\$ 115	
TOTAL OPERATING INCOME	\$ 213,390	
OPERATING EXPENSES		
I. Administrative		
Accounting Fees	\$ 235	
Bank Fees	\$ 40	
Filing Fees	\$ 50	
Insurance	\$ 8,270	\$4,100 for added \$10 million in liability coverage
Legal and Professional Fees	\$ 10,000	Typical annual cost
Contingency for Resolution of Assets (or Reserves)	\$ 65,000	Any unused portion to go to Reserves
Meeting Expense	\$ 300	One expense for annual meeting. Use firehouse for rest
Misc. Admin and Fees	\$ 1,500	
Misc. Office Expenses & Supplies	\$ 350	
Postage and Delivery	\$ 700	Includes post office box
Printing and Reproduction	\$ 1,000	
Property Management Fee	\$ 13,000	Estimate from AI Orendorff
Property Transfer Fee	\$ -	Pass through expense
Storage	\$ 1,050	Need commercial agreement with SHOA
Web Site Hosting & Domain	\$ 720	Estimate from Marc Arnold
Total Administrative	\$ 102,215	
II. Maintenance & Repairs		
Landscaping		
Aeration	\$ 650	2018 estimate + 5%
Clean Up Spring/Fall	\$ 3,000	Estimate from AI Orendorff
Landscaping Repair	\$ 20,000	Estimate to repair/plant dead areas
Lawn Fertilizing/Weed Control	\$ 7,000	2018 estimate + 25%
Misc. Landscaping Maintenance	\$ 600	2018 estimate + 25%
Mowing (Irrigated and Non-irrigated)	\$ 16,500	Estimate from AI Orendorff
Shrub Pruning	\$ 2,250	2018 estimate + 25%
Snow Removal	\$ 2,100	2018 estimate + 5%
Trash Removal & Dump Fees - Landscaping	\$ 1,500	2018 estimate + 5%. Need commercial agreement with SHOA
Tree Maintenance (Bug Control & Fertilizer)	\$ 4,000	2018 estimate + 25%
Tree Trimming/Removal/Replace	\$ 5,000	2018 estimate + 25%
Weeding Gardens	\$ 1,000	2018 estimate + 25%
Sub-total Landscaping	\$ 63,600	
Water		
Irrigation Maintenance & Repairs	\$ 11,000	Estimate from AI Orendorff
Pump Repair & Replacement	\$ 3,000	Assumes no significant pump replacement, as in 2018
Pond Maintenance	\$ 5,000	Estimate from AI Orendorff
Sub-total Water	19,000	

Somerset Estates homeowner Association, 2019 Budget, CONTINUED

Account Name	2019 SEHOA Budget	Notes
Other		
Fence Maintenance	\$ 300	Estimate from AI Orendorff
Lighting & Electrical Maintenance	\$ 2,000	Estimate from AI Orendorff
Misc. Maintenance	\$ 350	2018 estimate + 5%
Path/Sidewalk Maintenance	\$ 800	2018 estimate + 5%
Utility Locating	\$ 700	2018 estimate + 5%
Sub-total Other	\$ 4,150	
Total Maintenance & Repairs		\$ 86,750
III. Utilities		
Electric	\$ 12,500	Includes additional \$3500 to operate waterfall
Water - Including leased	\$ 3,400	2018 estimate + 5%. Need commercial agreement with SHOA
Total Utilities		\$ 15,900
IV. Seasonal Decorations		\$ 1,750
		Board estimate per home
TOTAL OPERATING EXPENSE	206,615	\$ 2,322
NET OPERATING INCOME	\$ 6,775	
CAPITAL EXPENSES		
Landscape Improvements	\$ 10,000	Development of Master Long-Term Plan
Reserves study	\$ 2,000	This estimate may be a little low
Water Improvements	\$ -	Assumes new transfer line in 2020, not 2019
Waterfall Repair	\$ 5,000	Minor repairs to operate
Other Projects	\$ -	
TOTAL CAPITAL EXPENSES		\$ 17,000
TOTAL EXPENSES - OPERATING & CAPITAL	\$ 223,615	
CONTRIBUTION TO RESERVES		\$ -
		Excludes contribution to Reserves from any excess Contingency for Resolution of Assets in Administrative
NET INCOME	\$ (10,225)	Set to 2019 dues prepaid in 2018 (in balance sheet, but not 2019 income)