

The Board of Directors approved the 2019 budget for the Preserve at Mayfield Ranch at its October 9, 2018 quarterly meeting.

The 2019 assessment income of \$121,680 is based on \$65 per month of HOA dues per homeowner. This is a \$10 increase per month over the 2018 homeowner dues. The dues increase will be effective on January 1, 2019.

In 2017, the Board commissioned Building Reserve to do a 30-year study of the community to find out if the current yearly contributions to the Reserve Fund were sufficient to fund future capital repairs and replacements of the infrastructure in the community. The results of the study indicated that at the 5 year mark the Reserve Fund would need \$135,508 to fund the improvements needed by that date. The Board realized that a significant increase was needed to get the Reserve Fund to the necessary level. The only way to fund the increase as well as maintain normal operations in the community was to raise homeowner dues.

Due to the Board's efforts to contain costs, the operating expenses portion of the 2019 budget will only increase \$1,834 (2.1%) over the 2018 budget.

In 2019 the annual expense for the Reserve Fund contribution will increase to \$32,460, an increase of \$20,820 over the \$11,640 contribution in 2018.

Overall, 2019 total expenses will increase by \$22,654 (22.9%) over the 2018 budget.

**Preserve at Mayfield Ranch
2019 Budget**

	2018 Budget	2019 Budget
Income		
Income		
4013 Current Year Assessment	102,960	121,680
4900 Interest Income	0	0
Subtotal Income	102,960	121,680
Collections Income		
Subtotal Collections	0	0
Other Income		
4810 Working Capital Collection	900	500
Subtotal Other	900	500
Total Operating Income	103,860	122,180
Expenses		
5025 Collection Fee Expense	0	1,000
5090 Office Reimbursements	4,600	6,000
Subtotal Expenses	4,600	7,000
Communications		
5200 Community Events	3,000	2,500
5205 Meeting Expenses	400	400
5215 Freight & Postage	1,000	1,000
Subtotal Communications	4,400	3,900
Insurance		
5405 Insurance Expense	5,500	5,980
Subtotal Insurance	5,500	5,980
Taxes & Insurance		
6000 Electricity	6,600	5,000
6025 Water & Sewer	4,800	4,800
6050 Telephone Service	720	1,680
Subtotal Taxes & Insurance	12,120	11,480
Contracted Services		
6440 Safety & Security	3,000	600
Subtotal Contracted Services	3,000	600
Repair & Maintenance		
6100 Landscaping Contract	15,000	18,805
6110 Landscaping (other)	2,000	1,500
6130 Maintenance Porter	1,500	2,400
6135 Maintenance Pool	8,800	8,215
6150 Electrical Repairs	0	250
6595 Maintenance Gates	2,000	2,500
6600 General Repair & Maintenance	6,600	6,600
6700 Pool Repairs & Supplies	5,800	4,000
Subtotal Repairs & Maintenance	41,700	44,270
Utilities		
7000 Audit & Tax Services	1,000	750
7020 Legal Services	7,500	7,500
Subtotal Utilities	8,500	8,250
General & Administrative		
7040 Management Fees	7,566	7,740
7095 Other Professional Fees	0	0
Subtotal General & Administrative	7,566	7,740
Total Operating Expenses	87,386	89,220
Reserve Expenses		
9100 Reserve Transfer	11,640	32,460
Total Expenses	99,026	121,680
Total Income /(Loss)	4,834	500