

Budget Summary With Notes

Nelson Farm Homeowner's Assn. Inc.

Operating

2018-2019 Approved Budget

| | 2017 Actual | 2018 Budget | 2018 Projected | 2019 Budget | Budget % Change | Monthly Budget |
|--|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|
| Assessment Income | | | | | | |
| 4000 -- Residential Assessments \$395.00 per lot, 377 units | 141,375.00 | 141,375.00 | 141,375.00 | 148,915.00 | 5.33% | 12,409.58 |
| Total Assessment Income | 141,375.00 | 141,375.00 | 141,375.00 | 148,915.00 | 5.33% | 12,409.58 |
| Total Operating Income | 141,375.00 | 141,375.00 | 141,375.00 | 148,915.00 | 5.33% | 12,409.58 |
| Administrative | | | | | | |
| 5090 -- Office Supplies Postage, envelopes, etc. ~10-12% inc in 2018 | 1,384.78 | 2,200.00 | 2,827.24 | 3,153.00 | 43.32% | 262.75 |
| 5115 -- Web Site Maintenance Annual subscription renewal for domain name | 18.00 | 20.00 | 20.00 | 20.00 | 0.00% | 1.67 |
| 5195 -- Other Administrative Services ~10% inc in 2018 | 194.00 | 300.00 | 295.60 | 330.00 | 10.00% | 27.50 |
| Total Administrative | 1,596.78 | 2,520.00 | 3,142.84 | 3,503.00 | 39.01% | 291.92 |
| Communications | | | | | | |
| 5200 -- Community Events Annual 4th of July picnic | 505.95 | 500.00 | 535.95 | 500.00 | 0.00% | 41.67 |
| 5210 -- Printing/Copies ~10-12% inc in 2018 | 1,808.13 | 2,700.00 | 2,450.00 | 2,700.00 | 0.00% | 225.00 |
| Total Communications | 2,314.08 | 3,200.00 | 2,985.95 | 3,200.00 | 0.00% | 266.67 |
| Insurance | | | | | | |
| 5445 -- General Liability Insurance Premiums AIAI; insurance typically has a 5-10% inc each year, budgeting 7% | 6,039.19 | 9,850.00 | 9,390.00 | 10,050.00 | 2.03% | 837.50 |
| Total Insurance | 6,039.19 | 9,850.00 | 9,390.00 | 10,050.00 | 2.03% | 837.50 |
| Utilities | | | | | | |
| 6000 -- Electric Service Pool, poolhouse and irrigation meters; 1.8% inc in 2018 | 3,012.77 | 3,200.00 | 2,525.00 | 2,750.00 | (14.06%) | 229.17 |
| 6005 -- Gas Service Pool, pool house; lowering again for 2018 due to \$500.00 under budget in 2017. Highest year to date has been \$3,100, and we have been under budget due to the new boiler | 2,491.24 | 3,100.00 | 2,650.00 | 2,800.00 | (9.68%) | 233.33 |
| 6025 -- Water Service Pool, pool house & irrigation; water and wastewater increasing 3% in 2017 & 2018, stormwater increasing 5% in 2017 only. Water invoice is mainly wastewater and water, with about 15% stormwater. Under budget for water in 2017-2018; lowering to \$10,000 to leave room for inc plus \$500 to refill pool in spring when plaster replacement is complete. | 9,270.97 | 10,600.00 | 8,850.00 | 10,000.00 | (5.66%) | 833.33 |
| 6035 -- Trash and Recycling Service Trash pickup during pool season only; budget 10% increase | 438.00 | 480.00 | 405.00 | 450.00 | (6.25%) | 37.50 |

Budget Summary With Notes

Nelson Farm Homeowner's Assn. Inc.

Operating

2018-2019 Approved Budget

| | <u>2017 Actual</u> | <u>2018 Budget</u> | <u>2018 Projected</u> | <u>2019 Budget</u> | <u>Budget % Change</u> | <u>Monthly Budget</u> |
|---|------------------------|------------------------|---------------------------|------------------------|----------------------------|---------------------------|
| Utilities | | | | | | |
| 6050 -- Telephone Service | 197.94 | 420.00 | 635.00 | 650.00 | 54.76% | 54.17 |
| During pool season only; due to CenturyLink's new policy, it no longer saves money to turn the phone off for the season; budgeting 12 months of phone service for 2018-2019 | | | | | | |
| Total Utilities | 15,410.92 | 17,800.00 | 15,065.00 | 16,650.00 | (6.46%) | 1,387.50 |
| Landscaping | | | | | | |
| 6110 -- Landscape Repair & Maintenance | 0.00 | 200.00 | 114.00 | 200.00 | 0.00% | 16.67 |
| General landscaping repairs as needed | | | | | | |
| 6160 -- Tree Maintenance | 0.00 | 1,000.00 | 500.00 | 1,000.00 | 0.00% | 83.33 |
| Tree spraying, fertilization, pruning | | | | | | |
| Total Landscaping | 0.00 | 1,200.00 | 614.00 | 1,200.00 | 0.00% | 100.00 |
| Irrigation | | | | | | |
| 6200 -- Irrigation Repair & Maintenance | 470.50 | 1,200.00 | 482.02 | 1,000.00 | (16.67%) | 83.33 |
| Performed on an as-needed basis | | | | | | |
| Total Irrigation | 470.50 | 1,200.00 | 482.02 | 1,000.00 | (16.67%) | 83.33 |
| Contracted Services | | | | | | |
| 6100 -- Grounds & Landscaping - Contract | 5,976.00 | 5,976.00 | 5,976.00 | 6,152.00 | 2.95% | 512.67 |
| Contract with Evergreen Landscaping through November 15, 2020 | | | | | | |
| 6434 -- Pest Control | 129.00 | 200.00 | 0.00 | 200.00 | 0.00% | 16.67 |
| As needed in the pool area | | | | | | |
| 6438 -- Pool Management | 28,425.00 | 39,500.00 | 39,522.00 | 41,800.00 | 5.82% | 3,483.33 |
| Contract with Splash; \$39,500 in 2017, \$41,800 in 2018 and \$44,000 in 2019. | | | | | | |
| 6442 -- Snow Removal Services | 225.00 | 800.00 | 800.00 | 800.00 | 0.00% | 66.67 |
| Performed by Evergreen on a time and material basis; increasing slightly | | | | | | |
| Total Contracted Services | 34,755.00 | 46,476.00 | 46,298.00 | 48,952.00 | 5.33% | 4,079.34 |
| Repair & Maintenance | | | | | | |
| 6525 -- Clubhouse Repair & Maintenance | 858.46 | 1,000.00 | 2,565.49 | 1,000.00 | 0.00% | 83.33 |
| General repairs as necessary | | | | | | |
| 6530 -- Common Areas Repair & Maintenance | 65.00 | 500.00 | 694.94 | 500.00 | 0.00% | 41.67 |
| General repairs as necessary | | | | | | |
| 6560 -- Fence Repair & Maintenance | 664.50 | 500.00 | 1,000.00 | 500.00 | 0.00% | 41.67 |
| Gate repairs at pool and tennis including the additional gate by the bathrooms. | | | | | | |
| 6700 -- Pool Supplies/Repair & Maintenance | 6,026.79 | 7,000.00 | 5,041.69 | 6,700.00 | (4.29%) | 558.33 |
| Pool chemicals, etc.; lowering d/t under budget in 2016, and highest YTD has been approximately \$6,700 | | | | | | |

Budget Summary With Notes

Nelson Farm Homeowner's Assn. Inc.

Operating

2018-2019 Approved Budget

| | 2017 Actual | 2018 Budget | 2018 Projected | 2019 Budget | Budget % Change | Monthly Budget |
|---|------------------|-------------------|-------------------|-------------------|--------------------|-------------------|
| Repair & Maintenance | | | | | | |
| 6765 -- Tennis Court Repair & Maintenance | 0.00 | 1,400.00 | 0.00 | 1,150.00 | (17.86%) | 95.83 |
| Total Repair & Maintenance | 7,614.75 | 10,400.00 | 9,302.12 | 9,850.00 | (5.29%) | 820.83 |
| Professional Services | | | | | | |
| 7000 -- Audit & Tax Services | 52.50 | 400.00 | 295.00 | 400.00 | 0.00% | 33.33 |
| 7020 -- Legal Services General legal counsel, HindmanSanchez | 723.00 | 2,000.00 | 833.00 | 1,500.00 | (25.00%) | 125.00 |
| 7025 -- Legal Services - Collections | (10.07) | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 |
| 7040 -- Management Fees Associa, \$1,040 per monthly contract, meeting minutes included in 2018 | 7,895.36 | 11,987.00 | 11,903.44 | 12,480.00 | 4.11% | 1,040.00 |
| 7095 -- Meeting Minutes 6 Board meetings and 1 annual Membership meeting, included in contract for 2018 | 140.00 | 245.00 | 443.75 | 0.00 | (100.00%) | 0.00 |
| Total Professional Services | 8,800.79 | 14,632.00 | 13,475.19 | 14,380.00 | (1.72%) | 1,198.33 |
| Other Expenses | | | | | | |
| 9105 -- Reserve Contribution Expense Based on reserve study recommendations; Reserve study recommends contribution of \$40,130 in 2018 | 21,940.00 | 34,097.00 | 34,097.00 | 40,130.00 | 17.69% | 3,344.17 |
| Total Other Expenses | 21,940.00 | 34,097.00 | 34,097.00 | 40,130.00 | 17.69% | 3,344.17 |
| Total Operating Expense | 98,942.01 | 141,375.00 | 134,852.12 | 148,915.00 | 5.33% | 12,409.59 |
| Total Operating Net Income / (Loss) | 42,432.99 | 0.00 | 6,522.88 | 0.00 | 0.00% | (0.01) |

Budget Summary With Notes

Nelson Farm Homeowner's Assn. Inc.

Reserves

2018-2019 Approved Budget

| | <u>2017 Actual</u> | <u>2018 Budget</u> | <u>2018 Projected</u> | <u>2019 Budget</u> | <u>Budget % Change</u> | <u>Monthly Budget</u> |
|---|------------------------|------------------------|---------------------------|------------------------|----------------------------|---------------------------|
| Investment Income | | | | | | |
| 4905 -- Reserve Contribution Income Based on reserve study recommendations | 21,940.00 | 31,597.00 | 34,097.00 | 40,130.00 | 27.01% | 3,344.17 |
| Total Investment Income | 21,940.00 | 31,597.00 | 34,097.00 | 40,130.00 | 27.01% | 3,344.17 |
| Total Reserves Income | 21,940.00 | 31,597.00 | 34,097.00 | 40,130.00 | 27.01% | 3,344.17 |
| Reserve Expenses | | | | | | |
| 9812 -- Awnings Expenses Replacement of awnings in pool area, painting for all metal surfaces around poolhouse | 1,276.92 | 2,060.00 | 2,981.16 | 11,000.00 | 433.98% | 916.67 |
| 9818 -- Building Expenses Plumbing repairs, poolhouse; replace men's urinal & women's shower | 0.00 | 0.00 | 0.00 | 2,200.00 | 0.00% | 183.33 |
| 9828 -- Concrete Expenses Asphalt/concrete, pool parking lot | 0.00 | 15,000.00 | 0.00 | 0.00 | (100.00%) | 0.00 |
| 9852 -- Fences, Gates & Walls Expenses Tennis court fence | 2,025.00 | 0.00 | 5,795.00 | 0.00 | 0.00% | 0.00 |
| 9886 -- Landscape Expenses Installation of 2 trees in the common area | 0.00 | 0.00 | 3,100.00 | 1,200.00 | 0.00% | 100.00 |
| 9924 -- Pools & Spas Expenses Water heater replacement, per reserve study | 12,081.52 | 1,803.00 | 62,200.00 | 0.00 | (100.00%) | 0.00 |
| Total Reserve Expenses | 15,383.44 | 18,863.00 | 74,076.16 | 14,400.00 | (23.66%) | 1,200.00 |
| Total Reserves Expense | 15,383.44 | 18,863.00 | 74,076.16 | 14,400.00 | (23.66%) | 1,200.00 |
| Total Reserves Net Income / (Loss) | 6,556.56 | 12,734.00 | (39,979.16) | 25,730.00 | 102.06% | 2,144.17 |

Budget Summary With Notes

Nelson Farm Homeowner's Assn. Inc.

All Department Summary

2018-2019 Approved Budget

| | 2017 Actual | 2018 Budget | 2018 Projected | 2019 Budget | Budget % Change | Monthly Budget |
|--|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|
| Assessment Income | | | | | | |
| 4000 -- Residential Assessments | 141,375.00 | 141,375.00 | 141,375.00 | 148,915.00 | 5.33% | 12,409.58 |
| Total Assessment Income | 141,375.00 | 141,375.00 | 141,375.00 | 148,915.00 | 5.33% | 12,409.58 |
| Investment Income | | | | | | |
| 4905 -- Reserve Contribution Income | 21,940.00 | 31,597.00 | 34,097.00 | 40,130.00 | 27.01% | 3,344.17 |
| Total Investment Income | 21,940.00 | 31,597.00 | 34,097.00 | 40,130.00 | 27.01% | 3,344.17 |
| Total All Department Summary Income | 163,315.00 | 172,972.00 | 175,472.00 | 189,045.00 | 9.29% | 15,753.75 |
| Administrative | | | | | | |
| 5090 -- Office Supplies | 1,384.78 | 2,200.00 | 2,827.24 | 3,153.00 | 43.32% | 262.75 |
| 5115 -- Web Site Maintenance | 18.00 | 20.00 | 20.00 | 20.00 | 0.00% | 1.67 |
| 5195 -- Other Administrative Services | 194.00 | 300.00 | 295.60 | 330.00 | 10.00% | 27.50 |
| Total Administrative | 1,596.78 | 2,520.00 | 3,142.84 | 3,503.00 | 39.01% | 291.92 |
| Communications | | | | | | |
| 5200 -- Community Events | 505.95 | 500.00 | 535.95 | 500.00 | 0.00% | 41.67 |
| 5210 -- Printing/Copies | 1,808.13 | 2,700.00 | 2,450.00 | 2,700.00 | 0.00% | 225.00 |
| Total Communications | 2,314.08 | 3,200.00 | 2,985.95 | 3,200.00 | 0.00% | 266.67 |
| Insurance | | | | | | |
| 5445 -- General Liability Insurance Premiums | 6,039.19 | 9,850.00 | 9,390.00 | 10,050.00 | 2.03% | 837.50 |
| Total Insurance | 6,039.19 | 9,850.00 | 9,390.00 | 10,050.00 | 2.03% | 837.50 |
| Utilities | | | | | | |
| 6000 -- Electric Service | 3,012.77 | 3,200.00 | 2,525.00 | 2,750.00 | (14.06%) | 229.17 |
| 6005 -- Gas Service | 2,491.24 | 3,100.00 | 2,650.00 | 2,800.00 | (9.68%) | 233.33 |
| 6025 -- Water Service | 9,270.97 | 10,600.00 | 8,850.00 | 10,000.00 | (5.66%) | 833.33 |
| 6035 -- Trash and Recycling Service | 438.00 | 480.00 | 405.00 | 450.00 | (6.25%) | 37.50 |
| 6050 -- Telephone Service | 197.94 | 420.00 | 635.00 | 650.00 | 54.76% | 54.17 |
| Total Utilities | 15,410.92 | 17,800.00 | 15,065.00 | 16,650.00 | (6.46%) | 1,387.50 |
| Landscaping | | | | | | |
| 6110 -- Landscape Repair & Maintenance | 0.00 | 200.00 | 114.00 | 200.00 | 0.00% | 16.67 |
| 6160 -- Tree Maintenance | 0.00 | 1,000.00 | 500.00 | 1,000.00 | 0.00% | 83.33 |
| Total Landscaping | 0.00 | 1,200.00 | 614.00 | 1,200.00 | 0.00% | 100.00 |

Budget Summary With Notes

Nelson Farm Homeowner's Assn. Inc.

All Department Summary

2018-2019 Approved Budget

| | 2017 Actual | 2018 Budget | 2018 Projected | 2019 Budget | Budget % Change | Monthly Budget |
|--|------------------|------------------|-------------------|------------------|--------------------|-------------------|
| Irrigation | | | | | | |
| 6200 -- Irrigation Repair & Maintenance | 470.50 | 1,200.00 | 482.02 | 1,000.00 | (16.67%) | 83.33 |
| Total Irrigation | 470.50 | 1,200.00 | 482.02 | 1,000.00 | (16.67%) | 83.33 |
| Contracted Services | | | | | | |
| 6100 -- Grounds & Landscaping - Contract | 5,976.00 | 5,976.00 | 5,976.00 | 6,152.00 | 2.95% | 512.67 |
| 6434 -- Pest Control | 129.00 | 200.00 | 0.00 | 200.00 | 0.00% | 16.67 |
| 6438 -- Pool Management | 28,425.00 | 39,500.00 | 39,522.00 | 41,800.00 | 5.82% | 3,483.33 |
| 6442 -- Snow Removal Services | 225.00 | 800.00 | 800.00 | 800.00 | 0.00% | 66.67 |
| Total Contracted Services | 34,755.00 | 46,476.00 | 46,298.00 | 48,952.00 | 5.33% | 4,079.34 |
| Repair & Maintenance | | | | | | |
| 6525 -- Clubhouse Repair & Maintenance | 858.46 | 1,000.00 | 2,565.49 | 1,000.00 | 0.00% | 83.33 |
| 6530 -- Common Areas Repair & Maintenance | 65.00 | 500.00 | 694.94 | 500.00 | 0.00% | 41.67 |
| 6560 -- Fence Repair & Maintenance | 664.50 | 500.00 | 1,000.00 | 500.00 | 0.00% | 41.67 |
| 6700 -- Pool Supplies/Repair & Maintenance | 6,026.79 | 7,000.00 | 5,041.69 | 6,700.00 | (4.29%) | 558.33 |
| 6765 -- Tennis Court Repair & Maintenance | 0.00 | 1,400.00 | 0.00 | 1,150.00 | (17.86%) | 95.83 |
| Total Repair & Maintenance | 7,614.75 | 10,400.00 | 9,302.12 | 9,850.00 | (5.29%) | 820.83 |
| Professional Services | | | | | | |
| 7000 -- Audit & Tax Services | 52.50 | 400.00 | 295.00 | 400.00 | 0.00% | 33.33 |
| 7020 -- Legal Services | 723.00 | 2,000.00 | 833.00 | 1,500.00 | (25.00%) | 125.00 |
| 7025 -- Legal Services - Collections | (10.07) | 0.00 | 0.00 | 0.00 | 0.00% | 0.00 |
| 7040 -- Management Fees | 7,895.36 | 11,987.00 | 11,903.44 | 12,480.00 | 4.11% | 1,040.00 |
| 7095 -- Meeting Minutes | 140.00 | 245.00 | 443.75 | 0.00 | (100.00%) | 0.00 |
| Total Professional Services | 8,800.79 | 14,632.00 | 13,475.19 | 14,380.00 | (1.72%) | 1,198.33 |
| Other Expenses | | | | | | |
| 9105 -- Reserve Contribution Expense | 21,940.00 | 34,097.00 | 34,097.00 | 40,130.00 | 17.69% | 3,344.17 |
| Total Other Expenses | 21,940.00 | 34,097.00 | 34,097.00 | 40,130.00 | 17.69% | 3,344.17 |
| Reserve Expenses | | | | | | |
| 9812 -- Awnings Expenses | 1,276.92 | 2,060.00 | 2,981.16 | 11,000.00 | 433.98% | 916.67 |
| 9818 -- Building Expenses | 0.00 | 0.00 | 0.00 | 2,200.00 | 0.00% | 183.33 |
| 9828 -- Concrete Expenses | 0.00 | 15,000.00 | 0.00 | 0.00 | (100.00%) | 0.00 |
| 9852 -- Fences, Gates & Walls Expenses | 2,025.00 | 0.00 | 5,795.00 | 0.00 | 0.00% | 0.00 |
| 9886 -- Landscape Expenses | 0.00 | 0.00 | 3,100.00 | 1,200.00 | 0.00% | 100.00 |

Budget Summary With Notes

Nelson Farm Homeowner's Assn. Inc.

All Department Summary

2018-2019 Approved Budget

| | <u>2017 Actual</u> | <u>2018 Budget</u> | <u>2018 Projected</u> | <u>2019 Budget</u> | <u>Budget % Change</u> | <u>Monthly Budget</u> |
|---|------------------------|------------------------|---------------------------|------------------------|----------------------------|---------------------------|
| Reserve Expenses | | | | | | |
| 9924 -- Pools & Spas Expenses | 12,081.52 | 1,803.00 | 62,200.00 | 0.00 | (100.00%) | 0.00 |
| Total Reserve Expenses | 15,383.44 | 18,863.00 | 74,076.16 | 14,400.00 | (23.66%) | 1,200.00 |
| Total All Department Summary Expense | 114,325.45 | 160,238.00 | 208,928.28 | 163,315.00 | 1.92% | 13,609.59 |
| Total All Department Summary Net Income / (Loss) | 48,989.55 | 12,734.00 | (33,456.28) | 25,730.00 | 102.06% | 2,144.16 |
| Total Association Net Income / (Loss) | 48,989.55 | 12,734.00 | (33,456.28) | 25,730.00 | 102.06% | 2,144.16 |