

# VANCE LEVEL HOMEOWNERS ASSOCIATION

## 2011 BUDGET NOTES

The 2011 budget does not include potential repairs to the dry fire hydrant system.

The association has been attempting to resolve the issue with the dry fire hydrant system. We have engaged an attorney to determine if we have a claim against the developer, since it is our belief that the dry fire hydrants system never worked properly at the time of installation. Unfortunately, we do not have an estimated cost of what the repairs will be, except that the cost will likely exceed the available cash in our operating account. The potential repairs are projected to be expensive since the "fix" is not expected to be quick and easy. If we do not have a claim against the developer, the board of directors will have to evaluate the need to require a special assessment if it is determined that the homeowners are responsible for the payment of the repairs.

As part of the 2011 Budget, we have allocated \$1,600 for a reserve study. The Property Owners' Association Act requires that Associations conduct a reserve study at least every five (5) years to determine the amount of reserves required to repair, replace and restore capital components (i.e. the stone entrance into the neighborhood and the fountain in the pond). The reserve study will assist us to properly plan for future capital needs, and should minimize the need for special assessments in the future.

The 2011 homeowner's dues will remain at \$40 per month which is payable each quarter in the amount of \$120.

Sandy Thomasson

Vance Level President

<b>Vance Level Homeowners Association Inc</b>			1
			84
<b>2011 Budget</b>			
<b>Based on \$40.00 per month @ 84 Units</b>	<b>2011</b>	<b>2011</b>	<b>2011</b>
	<b>Proposed</b>	<b>Proposed</b>	<b>Proposed</b>
	<b>Annual</b>	<b>Monthly</b>	<b>Per unit</b>
	<b>Budget</b>	<b>Budget</b>	<b>Per Month</b>
<b>INCOME-ASSOCIATION FEES</b>	<b>40,320.00</b>	3,360.00	40.00
<b>LEGAL ADMINISTRATIVE FEE INCOME</b>		0.00	0.00
<b>ADV ASSOCIATION FEE INCOME</b>		0.00	0.00
<b>RESALE PACKAGE INCOME</b>		0.00	0.00
<b>OTHER MISC INCOME</b>		0.00	0.00
<b>INTEREST INCOME</b>		0.00	0.00
<b>LATE FEES INCOME</b>		0.00	0.00
<b>NSF FEE INCOME</b>		0.00	0.00
<b>COURT COSTS-COLLECTNS INC</b>		0.00	0.00
<b>ASSESSMENT RESERVE INC</b>		0.00	0.00
<b>TOTAL INCOME</b>	<b>40,320.00</b>	3,360.00	40.00
<b>TAX RETURN FEES</b>	<b>225.00</b>	18.75	0.22
<b>BANK SERVICE CHARGE</b>	<b>50.00</b>	4.17	0.05
<b>DUES-REGISTRATION-EDUCATN</b>	<b>0.00</b>	0.00	0.00
<b>LEGAL EXPENSES</b>	<b>3,559.00</b>	296.58	3.53
<b>PROPERTY/WC/DIRECTORS INSURANCE</b>	<b>1,400.00</b>	116.67	1.39
<b>CORPORATE FEES</b>	<b>25.00</b>	2.08	0.02
<b>MANAGEMENT FEE</b>	<b>7,260.00</b>	605.00	7.20
<b>MISC EXP/GENERAL &amp; ADMIN</b>	<b>0.00</b>	0.00	0.00
<b>OFFICE EXP/PRINTING</b>	<b>920.00</b>	76.67	0.91
<b>COUPON BOOKS</b>	<b>350.00</b>	29.17	0.35
<b>POSTAGE</b>	<b>482.00</b>	40.17	0.48
<b>PROFESSIONAL FEES</b>	<b>0.00</b>	0.00	0.00
<b>RESALE PACKAGE RMB</b>	<b>0.00</b>	0.00	0.00
<b>WEB DESIGN MAINTENANCE</b>	<b>650.00</b>	54.17	0.64
<b>INTERNET HOSTING FEE</b>	<b>100.00</b>	8.33	0.10
<b>DONATION FOR MEETING SPACE</b>	<b>150.00</b>	12.50	0.15
<b>SOCIAL EVENTS</b>	<b>550.00</b>	45.83	0.55
<b>RESERVE STUDY FEE</b>	<b>1,600.00</b>	133.33	1.59
<b>TAXES-STATE</b>	<b>0.00</b>	0.00	0.00
<b>TAXES-CORPORATE</b>	<b>0.00</b>	0.00	0.00
<b>TOTAL GEN. &amp; ADMIN. EXPENSES</b>	<b>17,321.00</b>	1,443.42	17.18
<b>UTILITIES-WATER</b>	<b>0.00</b>	0.00	0.00
<b>UTILITIES-ELECTRIC</b>	<b>4,000.00</b>	333.33	3.97
<b>TOTAL UTILITIES</b>	<b>4,000.00</b>	333.33	3.97

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	<b>Proposed</b>	<b>Proposed</b>	<b>Proposed</b>
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	<b>Budget</b>	<b>Budget</b>	<b>Per Month</b>
<b>MAINT.-LAKE EXPENSES</b>	<b>3,144.00</b>	262.00	3.12
<b>MAINT.-PUMP EXPENSE</b>	<b>0.00</b>	0.00	0.00
<b>MAINT.-COMMON AREA GRNDS</b>		0.00	0.00
<b>MAINT.-LAWN CONTRACT</b>	<b>7,610.00</b>	634.17	7.55
<b>MAINT.-LANDSCAPING EXTRAS/TREE REMOVAL</b>	<b>2,245.00</b>	187.08	2.23
<b>MAINT.-IRRIGATION</b>	<b>500.00</b>	41.67	0.50
<b>MAINT.-FIRE HYDRANTS</b>	<b>1,000.00</b>	83.33	0.99
<b>MAINT.-BLDG/FENCE/GRNDS</b>	<b>0.00</b>	0.00	0.00
<b>TOTAL MAINTENANCE</b>	<b>14,499.00</b>	1,208.25	14.38
<b>TOTAL OPERATING EXPENSE</b>	<b>35,820.00</b>	2,985.00	35.54
<b>NET OPERATING INCOME</b>	<b>4,500.00</b>	375.00	4.46
<b>RESERVES EARNED INTEREST</b>	<b>0.00</b>	0.00	0.00
<b>REPLACEMENT RESERVE</b>	<b>3,600.00</b>	300.00	3.57
<b>TOTAL REPLACEMENT RESERVES</b>	<b>3,600.00</b>	300.00	3.57
<b>OPERATING RESERVE DRAW</b>	<b>0.00</b>	0.00	0.00
<b>GENERAL OPERATING RESERVE</b>	<b>900.00</b>	75.00	0.89
<b>TOTAL OPERATING RESERVES</b>	<b>900.00</b>	75.00	0.89
<b>TOTAL REPLCMNT/OPER RESERVES</b>	<b>4,500.00</b>	375.00	4.46
<b>TOTAL EXPENSES AND RESERVES</b>	<b>40,320.00</b>	3,360.00	40.00
<b>NET INCOME</b>	<b>0.00</b>	0.00	0.00