

The Lofts at Locust Hill Townhome Association
2010 budget proposal (see back for notes)

	2009 Budget \$95 per month assessment	2010 Proposed budget \$95 per month assessment
<i>TOTAL INCOME</i>		
Assessment income	80940	80940
Interest, penalties, legal fees, and past due assessments from prior years	46560	72185
	127500	153125
<i>CURRENT EXPENSES</i>		
Bank Service Charges	0	120
Office Supplies	250	200
P.O. Box	70	70
Postage	115	115
Online payment fees	600	700
Printing and Reproduction	100	100
Accounting Fees	1000	1000
Legal Fees	0	0
Filing Fees, Taxes	285	285
Management Fees ⁱ	0	12000
Insurance	2000	1230
Grounds, other maintenance	0	0
Grounds, lawncare	21400	24000
Grounds, snow removal	3000	3000
Grounds, fence repair	2400	2400
Grounds, tree-trimming	1500	1500
Building, painting ⁱⁱ	0	0
Building, maintenance ⁱⁱⁱ	3000	3000
Building, termite treatment ^{iv}	13847	3000
	\$49567	\$52720
<i>RESERVE FOR DEFERRED MAINTENANCE</i>		
Building, roof repairs ^v	44000	45000
Building, foundation repairs ^{vi}	15000	30000
Landscaping replacement ^{vii}	12000	12000
<i>Unused reserve for deferred maintenance^{viii}</i>	6933	13405
	\$77933	\$100405
<i>RESERVE FOR CAPITAL EXPENDITURES</i>		
	0	0
TOTALS	\$112410	\$127500

ⁱ This number is a projected cost to obtain professional management for the association, and as such may be more or less than the estimate. The cost of professional management usually pays for itself in decreased costs of other services due to the greater purchasing power a property manager has.

ⁱⁱ We are at this time postponing this indefinitely. When we have the foundations and roof repair costs in a state of near completion we will complete the painting of doors and shutters, and we will continue to do so after that every five years.

ⁱⁱⁱ Most of this amount is minor repairs to the property, but also some repair of siding, etc. is included. Minor repairs to roofs are included in the section under deferred maintenance.

^{iv} Termite treatment was completed in the entire development in 2008. Our vendor allowed us to defer about \$13000 of this cost to 2009. There will be an annual cost of about \$3000 (annually) to maintain the warranty and inspection that comes with the service, and we will need to perform the full treatment again in 2013.

^v We were able to complete only two properties last year, again due to lack of funds. The current schedule for replacement is 2897 – 2899 Rio Dosa, 2915 – 2921 Rio Dosa, 2907 – 2911 Rio Dosa. These are subject to change based on urgency of repairs and availability of funds – the criteria is worst condition roof first, then earliest constructed roof. At this time we have replaced the roofs on 8 of the 19 buildings (31 of 71 units) over the past 5 years.

^{vi} We have been repairing the worst foundation each year (we've had several settling problems). More have been reported and are being bid for repair pending funding.

^{vii} We were unable to complete the work begun in 2007 last year, again due to a lack of funds. Our expectation is to complete the work along Rio Dosa this year. We will focus on the obvious common areas which need a lot of work, but landscaping is the lowest of our three deferred maintenance priorities, and will again be the first item to be cut if we lack funding.

^{viii} This money will be used to cover unforeseen repairs or to build funds to have on hand to begin 2011 (payments for maintenance assessments received at year end often come in after it is too late in the season to do repairs to foundations and roofs, so these are carried forward to the next year if unused).