

Ridgewood Hills Master Association

FY2010 BUDGET

Delegate Ratified
10-Jan-10

This is based on assessments remaining at \$300.00 per unit per year. Assessments are due semi-annually on January 1, 2010 and July 1, 2010.

Prepared by:

**Russ Bartz
Community Manager
MSI LLC**

**Ridgewood Hills Master Association
Delegate Ratified 2010 Budget**

Income		
Assessments - Homeowners	\$	251,100.00
Late/Interest Fee	\$	6,000.00
Lien Fee	\$	1,050.00
Legal Collections	\$	8,000.00
Total Income	\$	266,150.00
Expenses		
Water/Sewer	\$	40,839.00
Electricity	\$	2,244.00
Management	\$	30,657.00
A/R Processing Fees	\$	5,385.00
Lien Processing Fees	\$	2,850.00
Postage	\$	2,000.00
Administrative	\$	9,200.00
Audit/Tax Preparation	\$	1,900.00
Insurance	\$	7,661.00
Grounds Maintenance	\$	69,515.00
Grounds Improvements	\$	6,000.00
Tree/Shrub Pruning	\$	1,000.00
Grounds Repairs - Sprinklers	\$	14,000.00
Grounds Repairs - Other	\$	1,000.00
Native Area Maintenance	\$	6,000.00
Tree/Shrub Maintenance	\$	4,404.00
Pet Waste Clean Up	\$	800.00
Pest Control	\$	600.00
Lighting Maintenance	\$	400.00
Snow Removal	\$	10,000.00
Fence Maintenance	\$	1,500.00
Trash Removal	\$	800.00
Social Activities	\$	3,000.00
Income/Property Taxes	\$	8,000.00
Legal Fees	\$	2,000.00
Legal - Collections	\$	16,000.00
Transfer to Reserves	\$	20,000.00
Miscellaneous	\$	2,931.00
Bad Debt	\$	2,000.00
Total Expenses	\$	272,686.00
Net	\$	(6,536.00)

Account	January	February	March	April	May	June	July	August	September	October	November	December	Yr To Date	Over/Under	Total Budget
Water/Sewer	300.00	300.00	300.00	300.00	400.00	4,500.00	8,100.00	8,100.00	8,100.00	8,100.00	2,039.00	300.00	40,839.00	0.00	40,839.00
Electricity	40.00	40.00	40.00	40.00	40.00	180.00	400.00	500.00	500.00	380.00	44.00	40.00	2,244.00	0.00	2,244.00
Management	2,511.00	2,511.00	2,511.00	2,511.00	2,511.00	2,586.00	2,586.00	2,586.00	2,586.00	2,586.00	2,586.00	2,586.00	30,657.00	0.00	30,657.00
A/R Processing Fees	100.00	210.00	700.00	520.00	270.00	300.00	240.00	360.00	1,275.00	675.00	405.00	330.00	5,385.00	0.00	5,385.00
Lien Processing Fees	0.00	0.00	0.00	75.00	675.00	0.00	100.00	0.00	0.00	0.00	2,000.00	0.00	2,850.00	0.00	2,850.00
Postage	62.00	62.00	62.00	62.00	481.00	62.00	481.00	62.00	480.00	62.00	62.00	62.00	2,000.00	0.00	2,000.00
Administrative	3,000.00	150.00	150.00	150.00	1,500.00	150.00	2,000.00	150.00	1,500.00	150.00	150.00	150.00	9,200.00	0.00	9,200.00
Audit/Tax Prep	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,900.00	0.00	0.00	1,900.00	0.00	1,900.00
Insurance	0.00	0.00	0.00	7,661.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,661.00	0.00	7,661.00
Grounds Maintenance	3,476.00	3,476.00	3,476.00	3,476.00	6,952.00	6,951.00	6,952.00	6,951.00	6,952.00	6,951.00	6,951.00	6,951.00	69,515.00	0.00	69,515.00
Grounds Improvements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00	6,000.00	0.00	6,000.00
Tree/Shrub Pruning	0.00	0.00	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00	0.00	1,000.00
Grds Rpr - Sprinkler	0.00	0.00	0.00	0.00	2,000.00	2,000.00	4,000.00	4,000.00	2,000.00	0.00	0.00	0.00	14,000.00	0.00	14,000.00
Grds Rpr - Other	83.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00	87.00	1,000.00	0.00	1,000.00
Native Area Maint	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	2,000.00	0.00	0.00	0.00	6,000.00	0.00	6,000.00
Tree/Shrub Maint	0.00	0.00	0.00	0.00	644.00	1,008.00	1,008.00	736.00	1,008.00	0.00	0.00	0.00	4,404.00	0.00	4,404.00
Pet Waste Clean Up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	800.00	0.00	0.00	800.00	0.00	800.00
Pest Control	0.00	120.00	0.00	120.00	0.00	120.00	0.00	120.00	0.00	120.00	0.00	0.00	600.00	0.00	600.00
Lighting Maintenance	0.00	0.00	0.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	200.00	400.00	0.00	400.00
Snow Removal	2,600.00	2,800.00	2,100.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	700.00	10,000.00	0.00	10,000.00
Fence Maintenance	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00	0.00	1,500.00
Trash Removal	0.00	0.00	0.00	0.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	800.00	0.00	800.00
Social Activities	0.00	500.00	0.00	0.00	0.00	750.00	1,000.00	0.00	0.00	0.00	750.00	0.00	3,000.00	0.00	3,000.00
Income/Property Tax	0.00	7,200.00	0.00	300.00	0.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	8,000.00	0.00	8,000.00
Legal Fees	167.00	167.00	167.00	167.00	167.00	167.00	167.00	167.00	167.00	167.00	167.00	163.00	2,000.00	0.00	2,000.00
Legal - Collections	1,333.00	1,333.00	1,333.00	1,333.00	1,333.00	1,333.00	1,333.00	1,333.00	1,333.00	1,333.00	1,333.00	1,337.00	16,000.00	0.00	16,000.00
Transfer to Reserves	1,667.00	1,667.00	1,667.00	1,667.00	1,667.00	1,667.00	1,667.00	1,667.00	1,667.00	1,667.00	1,667.00	1,663.00	20,000.00	0.00	20,000.00
Miscellaneous	244.00	244.00	244.00	244.00	244.00	244.00	244.00	244.00	244.00	244.00	244.00	247.00	2,931.00	0.00	2,931.00
Bad Debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,000.00	2,000.00	0.00	2,000.00

Ridgewood Hills Master Association
Operating Budget Detail
FY 2010 Budget

Cash Balance Est 12/31/2009 6,536.00

Account	January	February	March	April	May	June	July	August	September	October	November	December	Yr To Date	Over/Under	Total Budget
Inflow	67,242.00	25,342.00	15,242.00	7,242.00	7,242.00	29,242.00	52,242.00	28,242.00	12,242.00	6,242.00	5,317.00	10,313.00	266,150.00	0.00	266,150.00
Expense	15,708.00	20,788.00	16,958.00	20,834.00	19,092.00	23,426.00	31,286.00	33,684.00	30,020.00	25,343.00	18,606.00	16,941.00	272,686.00	0.00	272,686.00
Net	51,534.00	4,554.00	-1,716.00	-13,592.00	-11,850.00	5,816.00	20,956.00	-5,442.00	-17,778.00	-19,101.00	-13,289.00	-6,628.00			
Gain/Loss	<u>51,534.00</u>	<u>56,088.00</u>	<u>54,372.00</u>	<u>40,780.00</u>	<u>28,930.00</u>	<u>34,746.00</u>	<u>55,702.00</u>	<u>50,260.00</u>	<u>32,482.00</u>	<u>13,381.00</u>	<u>92.00</u>	<u>-6,536.00</u>			
Cash Balance	58,070.00	62,624.00	60,908.00	47,316.00	35,466.00	41,282.00	62,238.00	56,796.00	39,018.00	19,917.00	6,628.00	0.00			

**RIDGEWOOD HILLS MASTER ASSOCIATION
FY2010 Budget**

INCOME ACCOUNTS

Assessment (Homeowners)

This is based on assessments remaining at \$300.00 per unit per year. There are 837 units in the Association.

Interest

This is based on the current interest rate of .25 earned on the Operating bank account.

Late Fees

Estimate of late fees and interest assessed to accounts that will be recovered when the accounts are brought current.

Lien Fees

Estimate of lien fees assessed to accounts that will be recovered when the accounts are brought current.

Legal Income

Estimate of legal expenses recoverable from homeowner accounts.

EXPENSE ACCOUNTS

Water

This is based on FY2009 Actual expense with an estimated increase of 20% to account for potential rate increases and increased watering. Irrigation water used in 2009 was less than an average year due to the unseasonably wet Summer.

Electricity

This is based on FY2009 Actual expense with an estimated increase of 3% to account for a potential rate increase. This is for the irrigation system clocks, irrigation pumps, and heating the pools.

Management

This is based on the remaining contract with MSI, which runs through May of 2010. It includes a 3% renewal increase affective in June of 2010.

A/R Processing Fees

This is based on FY2009 Actual expenses and an anticipated increase when the management contract renews. A current fee of \$10.00 per delinquent account per month will be charged for processing delinquent accounts; chargeable the month in which the account becomes one month or more delinquent. The charge is offset by late fees charged to the delinquent owners account, per the Association's approved collection policy, but initially paid for by the Association. Reimbursement to the Association occurs when payment from delinquent homeowners

Lien Fees

This is based on FY2009 actual expenses and an anticipated increase when the management contract renews. This occurs when liens are placed and released as necessary in the delinquency process. Currently a \$75.00 fee is charged, which includes preparing the lien and lien release. This charge is added to the homeowner's account, but initially paid by the Association. This charge will be increasing to \$100.00 per month in June of 2010.

Postage

This is a \$2,000.00 allowance for routine mailings as well as mass mailings such as newsletters. This allowance was reduced from previous years allowances of \$3,000.00. It will allow for two newsletters and one annual meeting notice.

Administrative

This is a \$9,200.00 allowance for copies, printing, payment books, files, and other similar administrative items. It also includes expense associated with four newsletters/mass mailings and website maintenance fees. It will allow for two newsletters and one annual meeting notice. It represents an increase of \$1,500.00 from what budgeted in 2009 based on Actual expenses.

Audit/Tax Preparation

This is for an audit of FY2009 and preparation of the FY2009 tax return. This estimate is based on information received from the accountant retained by the Association.

Insurance

This is the premium for hazard insurance, liability insurance, and Directors and Officers liability insurance. This estimate is based on the current premium with the Lockton Master program and includes a 20% increase premium per the advisement of the insurance broker.

Grounds Maintenance

This is for a Grounds Maintenance contract. This is based on the actual contract in place with Mill Brothers Landscaping for 2009-2010.

Grounds Improvements

This is an allowance of \$6,000.00 for the addition of flowers, trees, and shrubs, or other improvements to the grounds. In 2009 the Association actually spent \$13,948.00 and the originally proposed 2010 Budget had an allowance of \$10,000.00.

Tree/Shrub/Pruning

This is an allowance for minor pruning of the trees throughout the Community.

Grounds Repairs (Sprinkler)

This is an allowance of \$14,000.00 for the expected repairs of the sprinkler system. It includes the re-building of one pump station that has an expected cost of \$2,000.00. The allowance is based on Actual expenses incurred in 2009.

Grounds Repairs (Other)

This is an allowance of \$1,000.00 for the repair to the grounds, other than the sprinkler system. Examples are drainage repair or stump removal. This allowance has been reduced from \$2,000.00 in previous years.

Native Area Maintenance

This is an allowance of \$6,000.00 to apply a chemical weed control application to the Noxious weeds, as well as clear cut the bottom of the detention ponds over the Winter.

Tree/Shrub Maintenance

This is based on a recommended proposal for a tree maintenance program performed by a certified Arborist. It includes an anticipated 3% rate increase from the work performed in 2009.

Pet Waste Clean Up

This is an allowance of \$800.00 to procure additional pet waste stations and waste pick up bags. This allowance has been reduced from \$1,000.00 in previous years.

Pest Control

This is an allowance of \$600.00 to control pest in the common areas. This allowance has been reduced from

Lighting Maintenance

This is an allowance of \$400.00 for maintenance of the entrance lighting.

Snow Removal

This is an allowance of \$10,000.00 for snow removal. Snow removal is provided on Association owned walks for snowfalls of over 2 inches and common driveways along Avondale for snowfalls over 6 inches.

Fence Maintenance

This is an allowance of \$1,500.00 for minor repairs to the Association owned fencing. The 2009 Budget allowance was \$12,000.00 assuming the fence staining projects would be paid with Operating funds. The originally proposed Budget for 2010 included a \$2,000.00 allowance.

Trash Removal

This is an allowance for the dumpsters provided by the Association for community clean up day.

Social Activities

This is a allowance for Association sponsored social activities. Events such as the lunch for the community clean up day in the Spring and the neighborhood night out event in the Summer.

Taxes

This is an allowance based on the actual taxes paid in FY2009 for income taxes owed for interest earned in the Operating and Reserve Accounts.

Legal Fees - General

This is an allowance of \$2,000.00, for costs associated with general legal advice and services related to Association issues. Previous years allowances for this expense were set at \$3,000.00.

Legal Fees - Collections

This is an allowance of \$16,000.00, for costs associated with collecting delinquent assessments. Legal fees associated with collections are assessed back to the unit owners account.

Transfer to Reserves

The 20 Year Reserve Plan completed by Association's Reserves included a \$59,637.00 contribution to the Reserve Fund for 2010.00. This was reduced to \$42,897.00 in the previously Board adopted 2010 Budget. However, due to that Budget being rejected by the Delegates, it has been reduced further to \$20,000.00

Miscellaneous

This is an allowance of \$2,931.00 and has been selected to balance out the 2010 Budget. This can be used for non budgeted miscellaneous expenses or to offset expense line items that may run over Budget in 2010.

Bad Debt

This is a \$2,000.00 allowance for assessment that may not be able to be collected.

**Ridgewood Hills Master Association
FY2010 BUDGET**

OPERATING FUND SUMMARY

INCOME	
Total Income	\$ 266,150.00
EXPENSES	
Total Expenses	\$ 272,686.00
NET	
	\$ (6,536.00)
Anticipated Cash Balance 12/31/09	\$ 6,536.00
Anticipated Cash Balance 12/31/10	\$ -

RESERVE FUND SUMMARY

Anticipated Cash Balance 12/31/09	\$ 455,921.00
Added to Reserves 2010	\$ 20,000.00
Interest	\$ 14,640.00
Total Additions	\$ 34,640.00

EXPENSES

Partial Decorative Fence Replacement	\$ 26,832.00
MSE Wall Repair	\$ 13,905.00
Drainage Cleaning and Maintenance	\$ 3,605.00
Total Expenditures	\$ 44,342.00

Anticipated Cash Balance 12/31/09 **\$ 446,219.00**

TOTAL ANTICIPATED CASH ASSETS 12/31/10 **\$ 446,219.00**