

**Stonegate Village Owners Association
2020 Approved Budget, 2020 Projected Actuals,
2021 Approved Operations Budget and Narrative**

CATEGORY	2020 Approved	2020 Est. Actual	2021 Approved
Receipts			
Assessments	\$617,760	\$624,300	\$690,090
Legal Fees	\$6,000	\$7,700	\$6,000
Late Fees	\$5,000	\$6,250	\$5,000
Interest/Misc. Income/Other	\$1,000	\$980	\$1,000
Carry-Over Funds	\$50,990	\$62,210	\$41,510
Accounts Receivable Contingency	-\$5,000	-\$4,200	-\$5,000
Total Receipts	\$675,750	\$697,240	\$738,600
Operational Expenses			
Holiday Lighting	\$34,000	\$35,200	\$37,000
Legal Fees	\$22,000	\$22,400	\$22,000
Insurance Premium	\$6,500	\$5,780	\$6,500
General Administration	\$43,000	\$41,800	\$48,000
Committee Administration	\$5,800	\$5,380	\$0
Professional Fees	\$94,000	\$93,600	\$94,800
Audit/Income Tax	\$1,700	\$1,720	\$1,750
Trash/Recycling Services	\$396,000	\$407,400	\$454,800
Social Activities Director (PT)	\$11,750	\$4,760	\$11,750
Social/Recreational Committee	\$56,000	\$32,300	\$57,000
Reserve Contribution YTD Net (Inc/Exp)	\$5,000	\$5,000	\$5,000
Total Operation, Community Services & Social/Recreational Expenses	\$675,750	\$655,340	\$738,600
Projected Net Income (Loss)	\$0	\$41,900	\$0

OPERATING REVENUES NARRATIVE

Homeowner Assessments

Budgetary estimate is based upon 2915 single family homes being assessed \$220.00 annually, billed quarterly at \$55.00, which is an increase of \$11.00 per quarter or \$3.67 per month from 2020, and 650 attached homes being assessed \$66.00 annually, which removes the unified trash service income out of the attached homes assessment and takes the attached homes assessment back to the 2012 rate. The Board of Directors has authorized the consideration for an increase in assessments for 2021, to allow the Owners Association to be financially capable of being able to select an alternate unified trash hauler in 2021, if that decision is made. If the decision is made to continue with The Garbage Man, then the assessment increase will be "trued up" to adjust for the difference in expenses versus income required for The Garbage Man's service contract in 2021, and thereafter the assessment will be adjusted down accordingly for the remainder of 2021 to all single family home members. The assessment will remain the same in 2021 for the attached homes, no matter which trash hauling service provider is selected for the single family homes.

Income Categories Legal, Late Fees, and Interest Income

Legal fee reimbursements, late fee, fine revenue, interest earned estimates are based upon historical data from previous year's data. Legal income is based upon projected costs associated with either assessment collection and/or covenant enforcement which the Association would seek to be reimbursed for costs from the owner.

Carry-over Funds

Historically the Owners Association has carried over to the following budget year all carry-over funds from the previous year to help offset operational costs in the coming year's budget which in turn helps off-set those expense costs to its members.

Accounts Receivable Contingency

This budget category is established from actual previous year's documentation to address from a cash flow perspective potential loss of income by the Association for members that for one reason or another are not paying their assessments in a timely manner or at all in 2021.

OPERATING EXPENSES NARRATIVE

Holiday Decorations

Budget figure reflects the increased estimated costs associated with purchasing and installing decorations on the main monuments in the community owned by the Association for the holiday season. All proposed holiday lighting is approved by the Board.

Legal-General

This budget category includes estimated costs associated with all general legal processes and opinions initiated by the Board of Directors for the benefit of the Association members, along with estimated costs associated with all types of potential legal covenants enforcement activities for the benefit of the Association members. Commencing in 2017 and continuing into 2021 our Board was forced to take additional steps in the collection of assessments against several homeowners. In these types of situations, legal costs associated with the collection of assessments against an owner are billed back to the owners, which in turn are reflected under the Association's legal fee income on the 2020 estimated actual category.

Insurance

Budget estimate includes costs associated with maintaining the general liability, hazard and Director and Officer insurance policies for the Association. This figure does not include required and currently maintained insurance costs associated with those homeowners that are also a part of Stonegate.

General Administration

Budget estimate includes costs for copies, letterhead postage, faxes, envelopes, banking service charges, subscriptions and memberships, meeting location expenses, assessment payment billings for four (4) quarters during the year for assessments including the unified trash/recycling program and postage associated with the monthly community newsletter (The Stonegate Messenger), along with a variety of other office type supplies that may be utilized by the Owners Association through its Board of Directors. For 2021, based upon member comments in 2020, all projected Committee Administrative expenses will not be included in the General Administrative expense line item.

Committee Administration

See General Administrative expense above.

Professional Fees

Estimated costs associated with outside professional services to be utilized by the Owners Association that include but are not necessarily limited to, consulting services as may be directed by the Board, costs associated with management and accounting, community courtesy patrol, and basic contracted services for vacated homes that may not be being maintained (all associated vacant home maintenance costs will be billed back to the owner).

Audit, Tax Preparation

This budget category includes estimated costs associated with the preparation of the 2020 audit and tax return for the Association.

Unified Trash/Recycling Services

Budgeted figure includes all trash removal for all single-family homes in the Association and no reimbursement to all attached home sub-association's for collection of trash removal fees. Based upon the input from our community survey, along with all related communication from the membership, a decision will be made by the Board of Director by January 2021 to either continue with the unified trash services provided by The Garbage Man or to select a new trash hauling service, which services would commence on or around April 1, 2021.

Social Committee Volunteer Coordinator (PT)

Budget figures reflect the continued support of a part time Social Committee Volunteer Coordinator whose responsibilities include booking and pricing the activities; finding vendors; advertising the event; inviting correct pocket neighborhoods and overall neighborhoods; ordering food; arranging activities; setting and scheduling the place/location that the event will be held at; working with vendors when they arrive; and setting up and cleaning up the event. Facilitates the events to ensure all goes as planned. Works within budget and may need to solicit discounts and special offers/pricing to stay within neighborhood budgets and guidelines. Due to social distancing requirements respective to COVID-19 in 2020, many of the community's main events and many neighborhood events had to be postponed or cancelled.

Social/Recreational Activities

Budget figures reflect the continued support of the Board of Directors of a social/recreational budget for the Association to continue to convey a sense of "community" to the neighborhood and its respective members. This budgetary line item requires the continued organization and participation of volunteer homeowners. Due to social distancing requirements respective to COVID-19 in 2020, many of the community's main events and many neighborhood events had to be postponed or cancelled.

Reserve Contribution

This account was established based upon not only the net contribution and expense related to the new notice board signs, but also to establish a funding mechanism for future on-going repairs of the notice boards. Annual funding allocations (2021) are based upon revised estimated long-term repair costs and useful life calculation cycles for the components of the notice board signs.