



Livingston Trace Subdivision Homeowner's Association

Annual Budget for Fiscal Year 2010

January 01, 2010 through December 31, 2010

Budget Notes Livingston Trace 2010 Fiscal Year

General Notes:

- Assessments for 2010 are forecasted to remain at the 2009 rate
- 2009 forecasted Year-End was based on annualized Revenue and Expense numbers from the 07/31/2009 financials. Where there was insufficient information the 2009 budget was used. When an expense was related to the RealManage fees the remaining 5-months of 2009 billable was used in the projection.
- Conversion rate of Declarant/Builder controlled properties to Resident is assumed to be the same as the 2009 average at 2:2
- All expense forecasts for 2010 assume a standard 3% inflation rate unless specified by vendor contract and/or Board input
- 2009 Forecast includes an allocation for bad debt where the debt was incurred in 2009, so the forecasted 2010 bad debt is also the allocation to be made at 2010 year end (calculated at 5% over estimated total for 2009).
- RealManage charges and related expenses are calculated based on Real Manage contract amounts and increases
- Taxes will be accrued in 2010 and paid in 2010. Accruals will be offset to Taxes Payable.
- A portion of Other Income for 2009 was Lien Filings and is offset by the actual cost in Collection Expenses. These are not forecasted as the revenue/expense is a zero-sum.
- Other Expenses represented a high expense in 2009, but without documentation on the source of the expense it must be considered as non-recurring and not forecasted in 2010.
- Professional Fees for 2010 provide only an estimate of Audit/Tax services. The remainder for expenses assumed to be in the 2009 financials are legal and collection related charges that are back-billed to residents resulting in a zero-sum revenue to expense.

Revenue and Expense Detail Notes

Fund: Operating Fund

Other Income

Lien Filing (4510) Annual Budget: \$3,000

Funds budgetted to file 10 liens +

EXPENSES

Repairs and Maintenance

Retention Ponds (5420) Annual Budget: \$4,800

Funds budgetted for chemical application to ponds.

General and Administrative Expenses

Professional Fees

Consulting (6010)

Consultation and conducting transition meetings from developer to homeowner control.

Elections (6010)

Funds for conducting first homeowner board election in fall of '09.

Professional Fees (6010)

Expense moved to Liens line item.

Collection Expense

Collection Expense (6040) Annual Budget: \$3,120

Anticipated expense for RealCollect activity.

Lien Filing (6040)

Annual Budget: \$5,000

Anticipated filing of 12 liens for '10

Homeowner Activities

Annual Meeting (6110) Annual Budget: \$300

Annual Meeting Budget Handouts and Agenda copies.

Architectural Review (6110)

Committee will take over ACC review once transitioned to ho control.

GL Adjustment (6110)

Annual Budget: \$1,000

Funds budgetted for community activities.

Homeowner Communications

Newsletter (6120) Annual Budget: \$862

Budget for Quarterly 4 pg. color Newsletter by RM

Insurance

Directors and Officers (6210) Annual Budget: \$1,500

Funds budgetted in anticipation of turning over the Association to the Homeowners for management. Insurance is currently provided by the developer.

General, Property & Liability (6210)

Annual Budget: \$1,100

Funds budgetted in anticipation of turning over the Association to the Homeowners for management. Insurance is currently provided by the developer.

GL Adjustment (6210)

Annual Budget: \$2,450

Funds budgetted in anticipation of turning over the Association to the Homeowners for management. Insurance is currently provided by the developer.

Management Fee

Contract (6310) Annual Budget: \$9,168

RM 2 yr. contract at 191 x \$4.00 = \$764/mo

Revenue and Expense Detail Notes

Fund: Replacement Fund

EXPENSES

Cashflow Detail Notes

Fund: Operating Fund

Beginning Cash Balance (All Cash Accounts)	Annual Budget:	\$654
Cash from Operating Activities		
Net Surplus (Deficit)	Annual Budget:	\$24,131
Add Back Depreciation Expense (non-cash)		
Add/Subtract Projected Decrease/Increase in A/R, Prepaid Expenses and Other Assets	Annual Budget:	(\$3,000)
2009: reduce 2009 forecast for September to December by amount of January billed annual assessment deferred for recognition plus a 5% delinquency estimate for assessments to be billed in October 2010: A 5% delinquency estimate.		
Add/Subtract Projected Increase/Decrease in A/P, Prepaid Assessments, and Other Current Liabilities	Annual Budget:	(\$22,000)
if the forecast for the final 4 months of 2009 is correct the association will have a cash shortfall that will cause the association to hold \$22k of the 2009 expenses to be paid by 2010 revenue collections.		
Cash from Investing Activities		
Purchase/Repair of Facilities & Equipment (Capitalized)		
Cash from Financing Activities		
Loan Principal Payments		
Interfund Borrowing (Due To / Due From Other Funds)		
Fund Transfers (Permanent Transfer To / From Another Fund)		

Cashflow Detail Notes

Fund: Replacement Fund

Beginning Cash Balance (All Cash Accounts)	Annual Budget:	\$8,655
Cash from Operating Activities		
Net Surplus (Deficit)		
Add Back Depreciation Expense (non-cash)		
Add/Subtract Projected Decrease/Increase in A/R, Prepaid Expenses and Other Assets		
Add/Subtract Projected Increase/Decrease in A/P, Prepaid Assessments, and Other Current Liabilities		
Cash from Investing Activities		
Purchase/Repair of Facilities & Equipment (Capitalized)		
Cash from Financing Activities		
Loan Principal Payments		
Interfund Borrowing (Due To / Due From Other Funds)		
Fund Transfers (Permanent Transfer To / From Another Fund)		

**Livingston Trace
Revenue and Expense Budget Summary for FY 2010**

	Consolidated	Operating Fund	Replacement Fund
REVENUES			
Assessments			
Regular Assessments	\$68,760	\$68,760	-
Special Assessments	\$32,279	\$32,279	-
Assessment Allocation	-	(\$7,831)	\$7,831
Total Assessments	\$101,039	\$93,208	\$7,831
Other Income	\$3,000	\$3,000	-
Total Other Income	\$3,000	\$3,000	-
TOTAL REVENUES	\$104,039	\$96,208	\$7,831
EXPENSES			
Operating Expenses			
Direct Operating Expenses			
Electricity	\$5,438	\$5,438	-
Landscape Maintenance	\$31,085	\$31,085	-
Repairs and Maintenance	\$5,436	\$5,436	-
Other Expenses	-	-	-
Water and Wastewater	\$618	\$618	-
Total Direct Operating Expenses	\$42,577	\$42,577	-
General and Administrative Expenses			
Professional Fees	-	-	-
Bad Debts	\$5,000	\$5,000	-
Collection Expense	\$8,120	\$8,120	-
Homeowner Activities	\$1,300	\$1,300	-
Homeowner Communications	\$862	\$862	-
Insurance	\$5,050	\$5,050	-
Management Fee	\$9,168	\$9,168	-
Administration	-	-	-
Total General and Administrative	\$29,500	\$29,500	-
Total Operating Expenses	\$72,077	\$72,077	-
TOTAL EXPENSES	\$72,077	\$72,077	-
NET SURPLUS (DEFICIT)	\$31,962	\$24,131	\$7,831

**Cash Flow Summary for Each Fund
Livingston Trace**

Consolidated	Remaining FY2009 Cash Flow From 08/31/2009	Cash Flow Budget for FY 2010
CASH ANALYSIS		
Beginning Cash Balance (All Cash Accounts)	\$10,622	\$9,309
Cash from Operating Activities		
Net Surplus (Deficit)	(\$4,593)	\$24,131
Add Back Depreciation Expense (non-cash)		
Add/Subtract Projected Decrease/Increase in A/R, Prepaid Expenses and Other Assets	(\$18,720)	(\$3,000)
Add/Subtract Projected Increase/Decrease in A/P, Prepaid Assessments, and Other Current Liabilities	\$22,000	(\$22,000)
Net Cash Flow from Operating Activities	(\$1,313)	(\$869)
Cash from Investing Activities		
Purchase/Repair of Facilities & Equipment (Capitalized)	-	-
Net Cash Flow from Investing Activities	-	-
Cash from Financing Activities		
Net Cash Flow from Financing Activities	-	-
Net Cash Increase (Decrease)	(\$1,313)	(\$869)
Ending Cash Balance	\$9,309	\$8,440

**Cash Flow Summary for Each Fund
Livingston Trace**

Operating Fund	Remaining FY2009 Cash Flow From 08/31/2009	Cash Flow Budget for FY 2010
CASH ANALYSIS		
Beginning Cash Balance (All Cash Accounts)	\$4,848	\$654
Cash from Operating Activities		
Net Surplus (Deficit)	(\$7,474)	\$24,131
Add Back Depreciation Expense (non-cash)		
Add/Subtract Projected Decrease/Increase in A/R, Prepaid Expenses and Other Assets	(\$18,720)	(\$3,000)
Add/Subtract Projected Increase/Decrease in A/P, Prepaid Assessments, and Other Current Liabilities	\$22,000	(\$22,000)
Net Cash Flow from Operating Activities	<u>(\$4,194)</u>	<u>(\$869)</u>
Cash from Investing Activities		
Purchase/Repair of Facilities & Equipment (Capitalized)	-	-
Net Cash Flow from Investing Activities	<u>-</u>	<u>-</u>
Cash from Financing Activities		
Net Cash Flow from Financing Activities	<u>-</u>	<u>-</u>
Net Cash Increase (Decrease)	<u>(\$4,194)</u>	<u>(\$869)</u>
Ending Cash Balance	<u>\$654</u>	<u>(\$215)</u>

**Cash Flow Summary for Each Fund
Livingston Trace**

Replacement Fund

**Remaining
FY2009 Cash
Flow From
08/31/2009**

**Cash Flow
Budget for
FY 2010**

CASH ANALYSIS

Beginning Cash Balance (All Cash Accounts)	\$5,774	\$8,655
Cash from Operating Activities		
Net Surplus (Deficit)	\$2,881	
Add Back Depreciation Expense (non-cash)		
Net Cash Flow from Operating Activities	\$2,881	-
Cash from Investing Activities		
Purchase/Repair of Facilities & Equipment (Capitalized)	-	-
Net Cash Flow from Investing Activities	-	-
Cash from Financing Activities		
Net Cash Flow from Financing Activities	-	-
Net Cash Increase (Decrease)	\$2,881	-
Ending Cash Balance	\$8,655	\$8,655