

# M.P.R. Homeowners Association

## 2014 OPERATING BUDGET

*Approved August 27, 2013*

The Mountain Park Ranch  
Homeowners Association  
2014  
Budget

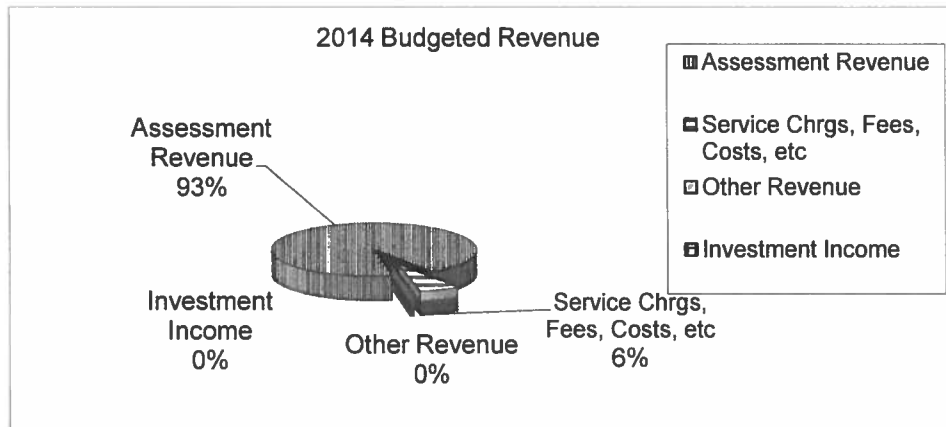
**BUDGET SUMMARY by Fund**

|   | <b>2014 Budget</b> |
|---|--------------------|
| <i>APPROVED 8/27/13</i>   |                    |
| <b>OPERATING FUND:</b>  |                    |
| <b>REVENUES</b>   |                    |
| Assessments (7008 units)  | 2,099,250          |
| Service Charges, Trsfer Fees&Other Fees                                       | 143,100            |
| Investment Income   | 6,000              |
| Other   | 6,000              |
| TOTAL REVENUES  | <b>2,254,350</b>   |
| <b>EXPENSES</b>   |                    |
| Operating   | 1,516,201          |
| Administrative  | 747,899            |
| Allocation to Reserve Fund  | 172,529            |
| Special Operating Projects  | 16,000             |
| TOTAL EXPENSES  | <b>2,452,630</b>   |
| <b>EXCESS (DEFICIT) OF OPERATING REVENUES OVER EXPENSES</b>                   | <b>-198,280</b>    |
| <b>TRANSFER UNRESTRICTED OPERATING FUNDS FROM:</b>                            |                    |
| Designated Unrestricted Expenditures  | 198,280            |
| Designated Unrestricted Revenue (Land Lease)                                  |                    |
| CAPITAL FUND EXPENDITURE CHR'G TO OP  |                    |
| <b>EXCESS (DEFICIT) OPERATING FUND</b>  | <b>0</b>           |
| <br><b>CAPITAL FUND:</b>  |                    |
| <b>ADDITIONS</b>  |                    |
| Fixed Asset Purchases - Equipment,<br>Infrastructure, Furniture, and Fixtures |                    |
| Gain (Loss) on Dispositions of Fixed Assets                                   |                    |
| <b>DEDUCTIONS</b>   |                    |
| Depreciation Expense  | -80,400            |
| <b>EXCESS (DEFICIT) OF CAPITAL FUND ADDITIONS OVER DEDUCTIONS</b>             | <b>-80,400</b>     |
| <br><b>RESERVE FUND:</b>  |                    |
| <b>REVENUES</b>   |                    |
| Investment Income   | 18,500             |
| Allocation from Operating Fund  | 172,529            |
| TOTAL REVENUES  | <b>191,029</b>     |
| <b>EXPENDITURES</b>   |                    |
| Reserve Fund Projects   | 172,529            |
| Capital Fund Expenditures Chrg'd to Reserve Fund                              |                    |
| Investment Expense  | 200                |
| <b>EXCESS (DEFICIT) OF RESERVE FUND ADDITIONS OVER DEDUCTIONS</b>             | <b>18,300</b>      |

**The Mountain Park Ranch  
Homeowners Association  
2014 Budget**

**REVENUES**

|  | <u>2014 Budget</u> |
|--|--------------------|
| <i>APPROVED 8/27/13</i>  |                    |
| <b>ASSESSMENT REVENUE</b>  |                    |
| 5001-0 Homeowner Assessment Income<br>5804 homeowners @ \$300 = \$1,741,800          | 1,741,200          |
| 5004-0 Commercial Assessment Income<br>43 properties (1190units) @ \$300 = \$357,000 | 357,000            |
| 5006-0 Developer Assessment Income<br>14 unimproved lots @ \$75 = \$1,050            | 1,050              |
| <b>Subtotal Assessment Revenue</b>   | <b>2,099,250</b>   |
| <b>SERVICE CHRGS, FEES, COSTS, ETC.</b>  |                    |
| 5007-0 Late Fee Income<br>Chrg'd to HOs in Feb and Aug                               | 19,000             |
| 5008-0 Administration Fee Income   | 3,100              |
| 5009-0 Fine Income   | 2,000              |
| 5010-0 Legal Fee Reimbursement   | 2,000              |
| 5012-0 Delinquent Assessments Received   |                    |
| 5035-0 Collection Fee Reimbursement  | 25,000             |
| 5050-0 Escrow Fee Income   | 92,000             |
| <b>Subtotal Service Chrgs, Fees, Costs, etc.</b>                                     | <b>143,100</b>     |
| <b>INVESTMENT INCOME</b>   |                    |
| 5060-0 Interest Income, Banking  | 6,000              |
| <b>OTHER REVENUE</b>   |                    |
| 5020-0 Miscellaneous Income  | 0                  |
| 5025-0 Advertisement Income  | 0                  |
| 5040-0 Recreation Area Key Income  | 6,000              |
| 5070-0 Donation Income   | 0                  |
| 5080-0 Vending Income  | 0                  |
| 5090-0 Insurance Reimbursement   | 0                  |
| <b>Subtotal Other Revenue</b>  | <b>6,000</b>       |
| <b>TOTAL REVENUE</b>   | <b>2,254,350</b>   |



The Mountain Park Ranch  
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2014 Budget

**Operating Expenses**

APPROVED 8/27/13

**Common Areas**

|                                       | <u>2014 Budget</u> |
|---------------------------------------|--------------------|
| 7005-0 Landscape Maint Contract       | 476,520            |
| 7015-0 Pest Control                   | 7,060              |
| 7020-0 Tree & Palm Maintenance        | 103,720            |
| 7025-0 Tree Removal                   | 5,000              |
| 7030-0 Trash Removal/Dump Fees        | 22,000             |
| 7035-0 Sprinkler Parts/Repair         | 33,000             |
| 7045-0 Fertilizer & Chemicals         | 30,000             |
| 7050-0 Plant & Tree Replacement       | 19,500             |
| 7060-0 Seed & Mulch                   | 15,000             |
| 7070-0 Non-Contract Landscape Repair  | 10,000             |
| 7077-0 View Fence - Repair & Maint    | 4,000              |
| 7078-0 Stucco Walls - Repair & Maint  | 4,000              |
| 7090-0 Electric, Common Areas         | 49,800             |
| 7095-0 Water, Irrigation, Common Area | 289,978            |

**Subtotal Common Area**

1,069,578

**Recreation Centers**

|                                      |        |
|--------------------------------------|--------|
| 7105-0 Pool Monitor Payroll          | 51,961 |
| 7106-0 Pool Monitor Overhead         | 7,425  |
| 7107-0 Uniforms & Training           | 1,900  |
| 7110-0 Lighting Maintenance & Repair | 6,500  |
| 7115-0 Pool Parts and Repair         | 10,000 |
| 7120-0 Building Maintenance & Repair | 11,000 |
| 7125-0 Pool & Spa Chemicals          | 26,000 |
| 7130-0 Pool and Spa Heat Cost        | 55,000 |
| 7135-0 Rec. Center Gate Security     | 3,500  |
| 7136-0 Rec. Center Video Security    | 3,500  |
| 7140-0 Tennis Courts                 | 2,200  |
| 7150-0 Rec. Center Telephones +DSL   | 6,720  |
| 7160-0 Pool & Spa Permits            | 2,460  |
| 7181-0 E-Keys                        | 3,565  |
| 7182-0 Tennis Court Keys             | 1,800  |

**Subtotal Recreation Centers**

193,531

**Lakes**

|  |       |
|--|-------|
| 7205-0 Lake Maintenance Contract       | 7,800 |
| 7210-0 Lake Equipment Parts and Repair | 5,000 |
| 7220-0 Lake Supplies                   | 2,520 |

**Subtotal Lakes**

15,320

The Mountain Park Ranch  
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Operating Expenses

APPROVED 8/27/13

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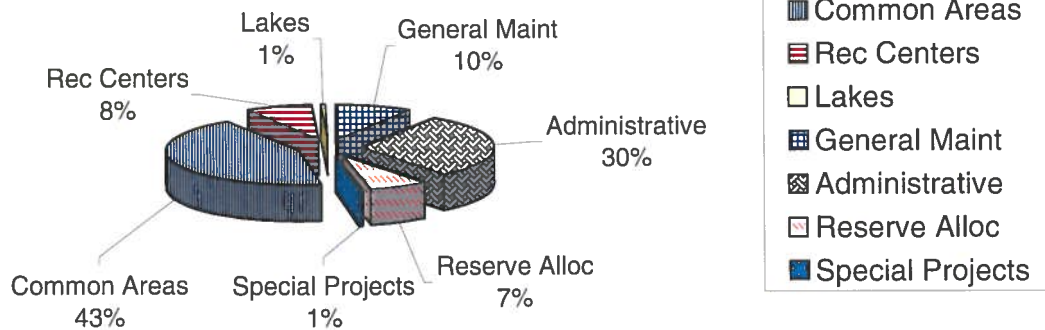
General Maintenance

|                                      |                |
|--------------------------------------|----------------|
| 7405-0 Maintenance Payroll           | 114,946        |
| 7406-0 Maintenance Payroll Overhead  | 57,457         |
| Contract Labor - Maintenance         | 0              |
| 7410-0 Equipment Rental              | 650            |
| 7415-0 Repairs & Maintenance         | 14,000         |
| 7420-0 Supplies                      | 17,000         |
| 7425-0 Common Area Security          | 20,070         |
| 7430-0 Small Signs                   | 1,000          |
| 7435-0 Small Tools & Equipment       | 1,000          |
| 7437-0 Training                      | 500            |
| 7440-0 Vehicle Fuel                  | 5,500          |
| 7445-0 Vehicle Maintenance & Repairs | 3,500          |
| 7450-0 Vehicle Registration          | 250            |
| 7460-0 Telephone - Maintenance       | 1,900          |
| <b>Subtotal General Maintenance</b>  | <b>237,773</b> |

Total Operating Expenses

1,516,202

2014 Budgeted Expenditures



The Mountain Park Ranch  
Homeowners Association  
2014 Budget

**Administrative Expenses**

|                                      | <i>APPROVED 8/27/13</i>         | <u>2014 Budget</u> |
|--------------------------------------|---------------------------------|--------------------|
| 8005-0                               | Administration Payroll          | 317,041            |
| 8006-0                               | Administration Overhead         | 134,206            |
| 8010-0                               | Advertising                     | 1,000              |
| 8011-0                               | Contract Labor-Office           | 0                  |
| 8020-0                               | Accounting/Audit                | 14,000             |
| 8023-0                               | Assessment Collection Costs     | 23,700             |
| 8026-0                               | Bad Debt Expense                | 31,200             |
| 8027-0                               | Bank Service Charge             | 560                |
| 8028-0                               | Office Cleaning Expense         | 3,220              |
| 8030-0                               | Community Events                | 4,600              |
| 8031-0                               | Computer Service                | 7,000              |
| 8032-0                               | Conventions & Seminars          | 0                  |
| 8033-0                               | Billing Expense                 | 6,400              |
| 8036-0                               | Dues & Subscriptions            | 1,550              |
| 8037-0                               | Education & Training            | 5,700              |
| 8040-0                               | Employee Car Allowance          | 8,360              |
| 8041-0                               | Local Travel-Vehicle Fuel/Maint | 3,000              |
| 8043-0                               | Insurance                       | 48,000             |
| 8047-0                               | Legal Fees-CC&R Enforcement     | 2,000              |
| 8050-0                               | Legal fees -General             | 6,200              |
| 8053-0                               | Meeting Expense                 | 4,500              |
| 8055-0                               | Office Equipment Rental         | 6,800              |
| 8056-0                               | Office Equip. Maint. & Repairs  | 400                |
| 8057-0                               | Office Supplies                 | 6,200              |
| 8058-0                               | Office Expense-General          | 3,420              |
| 8060-0                               | Payroll Service                 | 4,500              |
| 8063-0                               | Taxes, Licenses, & Permits      | 150                |
| 8070-0                               | Postage & Mailing               | 29,000             |
| 8073-0                               | Newsletter                      | 8,000              |
| 8074-0                               | Printing                        | 7,500              |
| 8080-0                               | Office Rent                     | 32,004             |
| 8081-0                               | Office Electric                 | 4,000              |
| 8087-0                               | Storage Rent                    | 5,460              |
| 8094-0                               | Office Telephone                | 6,600              |
| 8095-0                               | Office Telecommunications       | 2,028              |
| 8097-0                               | Website                         | 600                |
| 8099-0                               | Contingency Costs               | 5,000              |
|                                      | Loss on Disposal of F.A.        |                    |
|                                      | Provision for Income Taxes      | 4,000              |
| <b>Total Administrative Expenses</b> |                                 | <u>\$747,899</u>   |

The Mountain Park Ranch Homeowners Association  
Estimated Reserve Fund

**RESERVE FUND ALLOCATION REQUIREMENTS**

Estimates Based on 2010 Reserve Study Provided by Reserve Advisors, Inc.

**Reserve Fund Balance, December 31, 2012 (per audit)** 2,454,636

**2013**

Add:

Actual Investment Income through 9/30 7,654  
Budgeted Receipts (Sept - Dec) 17,346  
25,000

Budgeted 2013 Allocation 192,000

Less:

Expenditures through 9/30 (110,947)  
Forecasted expenditures 10/1 - 12/31

**Reserve Fund Balance, projected at 12/31/13 (100% funded)** 2,560,689

**2014**

Less:

2014 Component/expenditures, 2010 Reserve Study (172,529)  
Investment Expense (200)

Add:

2014 Estimated Investment Income (based on prior years) 18,500  
2014 Recommended Allocation from Op Fund (per '10 Reserve Study) 198,300

**Reserve Fund Balance, projected at 12/31/14 (99% funded)** 2,604,760

**Reserve Study Projected Fund Balance at 12/31/14** 2,638,034  
(too be at 100% funded)

**Mountain Park Ranch  
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**RESERVE STUDY**

(Per Reserve Report dated July 14, 2010)

RESERVE FUND EXPENDITURES ANTICIPATED for 2014

| Line #   | Component                                     | Estimated<br>Expend   |
|--|---|-----------------------|
| COMMON AREA:                                   |   |                       |
| 4.2  | Granite                                       | 17,080                |
| 4.64   | Perimeter walls/metal fences - paint & repair | 112,251               |
| MANAGEMENT OFFICE:                             |   |                       |
| POOLS AND SPAS:                                |   |                       |
| 5.301  | 28 metal doors                                | 31,883                |
| 6.5  | 55 pieces of pool furniture                   | 7,515                 |
| POOL STRUCTURE:                                |   |                       |
| LAKES:   |   |                       |
| RESERVE STUDY UPDATE:                          |   | <u>3,800</u>          |
| TOTAL EXPENDITURES ESTIMATED PER RESERVE STUDY |   | <u><u>172,529</u></u> |