

Budget Assumptions for 2019 Operating Budget
Arbor Forest Owners Association, Inc.

INCOME

Assessments

The total expense budget for 2019 is \$9,030 and based upon 42 homeowners the annual assessment will be \$215.

Miscellaneous Income

This income is budgeted based upon the collection of late fees which is charged at 18% interest from the due date until the date paid and includes the collection of NSF fees, money for copies and any other miscellaneous type income.

EXPENSES

Administrative

Insurance

The current insurance coverage currently written through Demetree Insurance Services, Inc. for General Liability and Officers & Directors Errors and Omissions in the amount of \$1,000,000 with a \$2,000,000 aggregate limit. The policy's is budgeted to be renewed in October.

Legal/Professional Fee

Anticipated cost for the filing of Form 1120H due to the IRS in March and the filing of liens if necessary.

Management Fee

The current contract with Duval Realty, Inc. requires a monthly payment in the amount of \$170.

Miscellaneous Administrative

This category includes postage, printing and/or office supplies that are not furnished by Duval Realty for the notices and mailings to the homeowners as required throughout the year and other miscellaneous expenses that are not specifically attributable to any of the other "Administrative" categories as well as the required licenses and fees to the State of Florida for the annual corporation renewal due in March.

Utilities

Electricity

Based upon the prior cost of electricity which includes lighting of the entrance signs and the irrigation system.

Irrigation

The estimated cost based upon prior years' history for the cost of irrigation for the center island at the entrance.

Services & Maintenance

Lake Maintenance

Monthly payment per the contract with The Lake Doctors, Inc. for the routine treatment of the lake/retention ponds.

Landscaping

Included is the routine landscaping maintenance of the center island, the area between the fence and Loretto Road and the "dog walk" area in the back of the property. We have also included minor repairs to the irrigation system and the fertilization and weed control for the shrubbery in the center island as well as for perennials and mulch. We have also budgeted a \$20 monthly increase for the landscaper.

Miscellaneous Repairs

This includes any repair that is not specifically attributable to any of the above "Repair and Maintenance" categories.