

The Cottages on Fairmount Lane HOA

W. 50th Ave and Gladiola Way
Golden, CO

Association Budget 2013

Date Revised: November 21, 2012

2013 Monthly Assessment of:	\$100.00
2012 Assessments:	\$100.00
Percentage Increase	0%

Approved: December 12, 2012

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The Cottages on Fairmount Lane HOA
2013 Cash Balance
 January through December 2013

	<u>Jan 13</u>	<u>Feb 13</u>	<u>Mar 13</u>	<u>Apr 13</u>	<u>May 13</u>	<u>Jun 13</u>	<u>Jul 13</u>	<u>Aug 13</u>	<u>Sep 13</u>	<u>Oct 13</u>	<u>Nov 13</u>	<u>Dec 13</u>
Operating												
Beginning of Month Cash Balance	2,114.00	4,248.00	5,665.00	6,412.00	5,031.86	5,151.72	4,097.58	3,938.44	3,806.30	1,770.16	1,803.02	2,471.02
Monthly Net Income (Loss)	2,134.00	1,417.00	747.00	(1,380.14)	119.86	(1,054.14)	(159.14)	(132.14)	(2,036.14)	32.86	668.00	792.00
End of Month Cash Balance	<u>4,248.00</u>	<u>5,665.00</u>	<u>6,412.00</u>	<u>5,031.86</u>	<u>5,151.72</u>	<u>4,097.58</u>	<u>3,938.44</u>	<u>3,806.30</u>	<u>1,770.16</u>	<u>1,803.02</u>	<u>2,471.02</u>	<u>3,263.02</u>
Reserve												
Beginning of Month Cash Balance	2,380.00	2,931.13	3,482.26	4,033.39	4,584.52	5,135.65	5,686.78	6,237.91	6,789.04	7,340.17	7,891.30	8,442.43
Monthly Net Income (Loss)	551.13	551.13	551.13	551.13	551.13	551.13	551.13	551.13	551.13	551.13	551.13	551.13
End of Month Cash Balance	<u>2,931.13</u>	<u>3,482.26</u>	<u>4,033.39</u>	<u>4,584.52</u>	<u>5,135.65</u>	<u>5,686.78</u>	<u>6,237.91</u>	<u>6,789.04</u>	<u>7,340.17</u>	<u>7,891.30</u>	<u>8,442.43</u>	<u>8,993.56</u>

2013 Forecast Based on Monthly Assessment of:

2012 Assessments: \$100
 Percentage Increase 0%

\$100.00

Notes:

1. Projections of cash balances based on net income assume revenues and expenses in a given month approximate total collections from homeowners and on time payments to vendors.

7:15 AM
10/30/12
Cash Basis

The Cottages on Fairmount Lane HOA
2013 Budget Overview
January through December 2013

	<u>Jan 13</u>	<u>Feb 13</u>	<u>Mar 13</u>	<u>Apr 13</u>	<u>May 13</u>	<u>Jun 13</u>	<u>Jul 13</u>	<u>Aug 13</u>	<u>Sep 13</u>	<u>Oct 13</u>	<u>Nov 13</u>	<u>Dec 13</u>	<u>TOTAL</u> <u>Jan - Dec 13</u>
Number of Homes	22	22	22	22	22	22	22	22	22	22	22	22	
Ordinary Income/Expense													
Income													
4000 · Assessments - Homeowners	2,096.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	26,296.00
4050 · Working Capital	1,500.00	600.00											2,100.00
Total Income	<u>3,596.00</u>	<u>2,800.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>28,396.00</u>
Expense													
5020 · Electric Power	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	312.00
5100 · Grounds Improvements						1,000.00			1,000.00				2,000.00
5120 · Grounds Maintenance				507.14	507.14	507.14	507.14	507.14	507.14	507.14			3,549.98
5140 · Grounds Repair Sprinklers				100.00	100.00	100.00	100.00	100.00	100.00				600.00
5180 · Snow Removal	150.00	150.00	150.00								150.00	150.00	750.00
5200 · Trash Removal	130.00	145.00	145.00	145.00	145.00	154.00	154.00	162.00	162.00	162.00	170.00	170.00	1,844.00
5220 · Water/Sewer	0.00	0.00	0.00	140.00	240.00	405.00	510.00	475.00	479.00	410.00	124.00	0.00	2,783.00
5260 · Back Flow Testing			70.00										70.00
6020 · Administrative	99.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	154.00
6040 · Audit Tax				150.00									150.00
6120 · Insurance				1,450.00					900.00				2,350.00
6280 · Postage and Delivery	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	36.00
6300 · Property Management	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
6390 · Bank Fees	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	48.00
6420 · Transfer to Reserve	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	6,600.00
Total Expense	<u>1,462.00</u>	<u>1,383.00</u>	<u>1,453.00</u>	<u>3,580.14</u>	<u>2,080.14</u>	<u>3,254.14</u>	<u>2,359.14</u>	<u>2,332.14</u>	<u>4,236.14</u>	<u>2,167.14</u>	<u>1,532.00</u>	<u>1,408.00</u>	<u>27,246.98</u>
Net Ordinary Income	<u>2,134.00</u>	<u>1,417.00</u>	<u>747.00</u>	<u>-1,380.14</u>	<u>119.86</u>	<u>-1,054.14</u>	<u>-159.14</u>	<u>-132.14</u>	<u>-2,036.14</u>	<u>32.86</u>	<u>668.00</u>	<u>792.00</u>	<u>1,149.02</u>
Other Income/Expense													
Other Income													
8000 · Transfer from Operating	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	6,600.00
8420 · Interest Reserve Fund	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	13.56
Total Other Income	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>6,613.56</u>
Net Other Income	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>551.13</u>	<u>6,613.56</u>
Net Income	<u>2,685.13</u>	<u>1,968.13</u>	<u>1,298.13</u>	<u>-829.01</u>	<u>670.99</u>	<u>-503.01</u>	<u>391.99</u>	<u>418.99</u>	<u>-1,485.01</u>	<u>583.99</u>	<u>1,219.13</u>	<u>1,343.13</u>	<u>7,762.58</u>

The Cottages on Fairmount Lane HOA

Date Revised: November 21, 2012

Account Detail

5020 - Electric Power	Electric for sprinkler clocks.
5080 - General Maintenance	Common area general maintenance.
5100 - Grounds Improvements	Landscape plant material repair and improvement.
5120 - Grounds Maintenance	Grounds maintenance is based on landscape contract bidding process. Keesen was the successful bidder for 2013.
5140 - Grounds Repair Sprinklers	Sprinkler repair.
5180 - Snow Removal	Verdi Services was the successful bidder for 2013.
5200 - Trash Removal	Trash removal is provided by Allied Waste and includes a rate increase of 3% for 2013.
5220 - Water/Sewer	Water and Sewer covers domestic and irrigation water services and is provided by North Table Mountain Water. North Table Mountain has not set their rates for 2013 but an increase of 5.5% is expected and incorporated into the 2013 Budget.
5260 - Back Flow Testing	Cost of required annual Backflow Valve testing.
6020 - Administrative	Association costs associated with providing payment coupons, office supplies and copies.
6040 - Audit Tax	Annual tax return preparation.
6120 - Insurance	Annual Property and Casualty, Umbrella, Directors and Officers and Fidelity insurance required by the Governing Documents. Contract is bid to AA or higher rated carriers as required by the Governing Documents.
6280 - Postage and Delivery	
6300 - Property Management	HOA Management provided by Stillwater Community Management.
6390 - Bank Fees	Bank fees are for providing ACH services to the HOA.
6420 - Transfer to Reserve	Monthly transfer to the reserve account as detailed in attached "Twenty Year Reserve Plan."

The Cottages on Fairmount Lane HOA

W. 50th Ave and Gladiola Way
Golden, CO

Twenty Year Reserve Plan

Study Base Year: 2007
Revised and Reviewed: November 12, 2012

Approved: December 12, 2012

Prepared by: Scott Bristol
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The Cottages on Fairmount Lane HOA

Revised and Reviewed: November 12, 2012

PLAN REVISION NOTES 2013

This is a reserve plan designed to project long term costs associated with fixed assets under the responsibility of the HOA. The goal of the plan is to identify timing of long-term costs and save accordingly. It is important the reserve plan is reviewed and revised annually as part of the annual HOA budget process. Below is a description and associated details of revisions to the reserve plan for the current year.

- 1 Unit cost of asphalt repave has been revised for 2013 to use Colorado DOT repave cost estimate of \$5.96 per sq. ft.
- 2 The irrigation system reserve item has been increased from \$800 to \$1,250 to more accurately reflect the cost of sprinkler control units.
- 3 Some cost of long term landscape replacement has been removed from the Reserve Plan and added to the operations budget annually.

The Cottages on Fairmount Lane HOA

Twenty Year Reserve Plan - Exhibit A

Provided by: Stillwater Community Management, LLC

Revised and Reviewed: November 12, 2012

Study Type: Full, With-Site-Visit/Off Site Review

Component	Base		Cycle		1	2	3	4	5	6	7	8	9	10	11
	Cost	Year	Ter m	Start	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Gladiola Way Asphalt Repave	99,590	2011	20	2011											
Concrete, Curb, Gutter and Culvert	2,465	2009	7	2011						2,465					
Monument and Entry Repair	1,350	2011	9	2011								1,350			
Perimeter Fence Repair and Replace	5,250	2011	10	2011									5,250		
Major Landscape and Path Repair and Replace	3,050	2011	7	2011						3,050					
Irrigation System Replace	1,250	2011	12	2011											1,250
Total Scheduled Expenditures					-	-	-	-	-	5,515	-	1,350	5,250	-	1,250
Carryover of previous Year					2,380	8,994	15,594	22,194	28,794	35,394	36,479	43,079	48,329	49,679	56,279
Forecast Interest Earned					-	-	-	-	-	-	-	-	-	-	-
Added to Reserves					6,614	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600
End of Year Reserve Balance					8,994	15,594	22,194	28,794	35,394	36,479	43,079	48,329	49,679	56,279	61,629
Number of Units					22	22	22	22	22	22	22	22	22	22	22
Monthly Unit Contribution					25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Estimated Rate of Inflation					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Estimated Rate of Interest					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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The Cottages on Fairmount Lane HOA

Twenty Year Reserve Plan - Exhibit A

Provided by: Stillwater Community Management, LLC

Revised and Reviewed: November 12, 2012

Study Type: Full, With-Site-Visit/Off Site Review

Component	Base		Cycle		12	13	14	15	16	17	18	19	20
	Cost	Year	Ter m	Start	2024	2025	2026	2027	2028	2029	2030	2031	2032
Gladiola Way Asphalt Repave	99,590	2011	20	2011								99,590	
Concrete, Curb, Gutter and Culvert	2,465	2009	7	2011		2,465							2,465
Monument and Entry Repair	1,350	2011	9	2011					1,350				
Perimeter Fence Repair and Replace	5,250	2011	10	2011								5,250	
Major Landscape and Path Repair and Replace	3,050	2011	7	2011		3,050							3,050
Irrigation System Replace	1,250	2011	12	2011									
Total Scheduled Expenditures					-	5,515	-	-	-	1,350	-	104,840	5,515
Carryover of previous Year					61,629	68,229	69,314	75,914	82,514	89,114	94,364	100,964	2,724
Forecast Interest Earned					-	-	-	-	-	-	-	-	-
Added to Reserves					6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600
End of Year Reserve Balance					68,229	69,314	75,914	82,514	89,114	94,364	100,964	2,724	3,809
Number of Units					22	22	22	22	22	22	22	22	22
Monthly Unit Contribution					25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Estimated Rate of Inflation					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Estimated Rate of Interest					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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The Cottages on Fairmount Lane HOA

Twenty Year Reserve Plan - Exhibit A

Provided by: Stillwater Community Management, LLC

Revised and Reviewed: November 12, 2012

Study Type: Full, With-Site-Visit/Off Site Review

Component	Base		Cycle		Next Pmt	20-Yr Balance	Next Pmt
	Cost	Year	Ter m	Start			
Gladiola Way Asphalt Repave	99,590	2011	20	2011	2051	4,980	99,590
Concrete, Curb, Gutter and Culvert	2,465	2009	7	2011	2039	-	2,465
Monument and Entry Repair	1,350	2011	9	2011	2038	450	1,350
Perimeter Fence Repair and Replace	5,250	2011	10	2011	2041	525	5,250
Major Landscape and Path Repair and Replace	3,050	2011	7	2011	2039	-	3,050
Irrigation System Replace	1,250	2011	12	2011	2035		1,250
Total Scheduled Expenditures							
Carryover of previous Year							
Forecast Interest Earned							
Added to Reserves							
End of Year Reserve Balance							
Number of Units					22		
Monthly Unit Contribution					25.00		
Estimated Rate of Inflation					0.0%		
Estimated Rate of Interest					0.0%		

The Cottages on Fairmount Lane HOA

Revised and Reviewed: November 12, 2012

RESERVE PLAN NOTES

This is a reserve plan designed to catalog long term costs associated with fixed assets under the responsibility of the HOA. The goal of the plan is to identify timing of long-term costs and save accordingly. Base costs are estimates derived from installation cost and current price quotes from manufacturers of same or similar products. Timing of costs are derived from manufactures operations and maintenance documentation and commonly used industry specific values. This is not an engineering study but a "Common Sense" plan to match savings to long-term expenditures.

1	Gladiola Way Asphalt Repave	\$ 99,590.40
	Total square feet	18,240.00
	Cost per square foot	\$ 5.46
	Total Cost to scrape and repave	99,590
2	Concrete, Curb, Gutter and Culvert	
	Reserve plan includes a detailed take off of all concrete surfaces. There is a total of 4,800 square feet of concrete in various configurations. Concrete is expected to fail at a rate of 5% every 7 years due to cracking, Spaulding and heaving. Reserve plan takes into consideration different cost for each type of concrete installed. See assumption detail for additional information.	\$ 2,464.59
	Curb and Gutter	2,145
	5% Failure	215
	Cost per Square ft	\$ 8.62
	Sub total curb and gutter	\$ 1,848.99
	Concrete Culvert and drains	1,200
	5% Failure	120
	Cost per square ft	\$ 5.13
	Total Concrete Culvert and drains	\$ 615.60
3	Monument and Entry Repair	\$ 1,350.00
	Repair and replace entry monument every 9 years	
4	Perimeter Fence Repair and Replace	\$ 5,250.00
	Allowance for major repair and preventative maintenance every 10 years. 450 feet of 3 rail split fence.	
5	Major Landscape and Path Repair and Replace	\$ 3,050.00
	Allowance for major repairs or replacement of landscaping materials every 5 years. Includes culvert clean, dredge and flush.	
6	Irrigation System Replace	\$ 1,250.00
	Allowance for major repair and preventative maintenance of sprinkler clocks every 12 years	