

## The Cottages on Fairmount Lane HOA

W. 50th Ave and Gladiola Way  
Golden, CO

# Association Budget 2014

Date Revised: October 4, 2013

<b>2014 Monthly Assessment of:</b>	<b>\$120</b>
2013 Assessments:	\$100
Percentage Increase	20%

**Approved: November 5, 2013**

Prepared by: Scott Bristol  
Stillwater Community Management, LLC  
15400 W 64th Ave.  
Arvada, CO 80007  
p. 303-872-9224 ext. 102  
scott.bristol@scmhoa.com

**The Cottages on Fairmount Lane HOA**  
**2014 Cash Balance**  
 January through December 2014

	<u>Jan 14</u>	<u>Feb 14</u>	<u>Mar 14</u>	<u>Apr 14</u>	<u>May 14</u>	<u>Jun 14</u>	<u>Jul 14</u>	<u>Aug 14</u>	<u>Sep 14</u>	<u>Oct 14</u>	<u>Nov 14</u>	<u>Dec 14</u>
<b>Operating</b>												
<b>Beginning of Month Cash Balance</b>	2,361.00	1,034.34	2,196.68	3,289.02	1,982.36	2,118.70	1,105.04	975.38	882.72	(1,555.94)	(1,574.60)	(512.26)
<b>Monthly Net Income (Loss)</b>	1,034.34	1,162.34	1,092.34	(1,306.66)	136.34	(1,013.66)	(129.66)	(92.66)	(2,438.66)	(18.66)	1,062.34	1,162.34
<b>End of Month Cash Balance</b>	<u>3,395.34</u>	<u>2,196.68</u>	<u>3,289.02</u>	<u>1,982.36</u>	<u>2,118.70</u>	<u>1,105.04</u>	<u>975.38</u>	<u>882.72</u>	<u>(1,555.94)</u>	<u>(1,574.60)</u>	<u>(512.26)</u>	<u>650.08</u>
<b>Reserve</b>												
<b>Beginning of Month Cash Balance</b>	7,993.00	8,544.15	9,095.32	9,646.52	10,197.74	10,748.98	11,300.24	11,851.52	12,402.83	12,954.16	13,505.52	14,056.91
<b>Monthly Net Income (Loss)</b>	551.15	551.17	551.20	551.22	551.24	551.26	551.28	551.31	551.33	551.36	551.39	551.43
<b>End of Month Cash Balance</b>	<u>8,544.15</u>	<u>9,095.32</u>	<u>9,646.52</u>	<u>10,197.74</u>	<u>10,748.98</u>	<u>11,300.24</u>	<u>11,851.52</u>	<u>12,402.83</u>	<u>12,954.16</u>	<u>13,505.52</u>	<u>14,056.91</u>	<u>14,608.34</u>

**2013 Forecast Based on Monthly Assessment of: \$120.00**  
 2012 Assessments: \$100  
 Percentage Increase 20%

**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.

The Cottages on Fairmount Lane HOA  
**2014 Budget Overview**  
January through December 2014

	<u>Jan 14</u>	<u>Feb 14</u>	<u>Mar 14</u>	<u>Apr 14</u>	<u>May 14</u>	<u>Jun 14</u>	<u>Jul 14</u>	<u>Aug 14</u>	<u>Sep 14</u>	<u>Oct 14</u>	<u>Nov 14</u>	<u>Dec 14</u>	<u>TOTAL</u> <u>Jan - Dec 14</u>
Number of Homes	22	22	22	22	22	22	22	22	22	22	22	22	
<b>Ordinary Income/Expense</b>													
<b>Income</b>													
4000 - Assessments - Homeowners	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	31,680.00
<b>Total Income</b>	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	2,640.00	31,680.00
<b>Expense</b>													
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				821.00	821.00	821.00	821.00	821.00	821.00	821.00	821.00	821.00	5,747.00
5140 - Grounds Repair Sprinklers				300.00	100.00	100.00	100.00	100.00	100.00	100.00			900.00
5180 - Snow Removal	150.00	150.00	150.00								150.00	150.00	750.00
5200 - Trash Removal	242.66	242.66	242.66	242.66	242.66	242.66	242.66	242.66	242.66	242.66	242.66	242.66	2,911.92
5220 - Water/Sewer				223.00	255.00	405.00	521.00	484.00	470.00	410.00	100.00		2,868.00
5260 - Back Flow Testing			70.00										70.00
6020 - Administrative	121.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	143.00
6040 - Audit Tax				275.00									275.00
6120 - Insurance									2,360.00				2,360.00
6280 - Postage and Delivery	12.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	45.00
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
<b>Total Expense</b>	<u>1,605.66</u>	<u>1,477.66</u>	<u>1,547.66</u>	<u>3,946.66</u>	<u>2,503.66</u>	<u>3,653.66</u>	<u>2,769.66</u>	<u>2,732.66</u>	<u>5,078.66</u>	<u>2,658.66</u>	<u>1,577.66</u>	<u>1,477.66</u>	<u>31,029.92</u>
<b>Net Ordinary Income</b>	1,034.34	1,162.34	1,092.34	-1,306.66	136.34	-1,013.66	-129.66	-92.66	-2,438.66	-18.66	1,062.34	1,162.34	650.08
<b>Other Income/Expense</b>													
<b>Other Income</b>													
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	1.15	1.17	1.20	1.22	1.24	1.26	1.28	1.31	1.33	1.36	1.39	1.43	15.34
<b>Total Other Income</b>	<u>551.15</u>	<u>551.17</u>	<u>551.20</u>	<u>551.22</u>	<u>551.24</u>	<u>551.26</u>	<u>551.28</u>	<u>551.31</u>	<u>551.33</u>	<u>551.36</u>	<u>551.39</u>	<u>551.43</u>	<u>6,615.34</u>
<b>Net Other Income</b>	<u>551.15</u>	<u>551.17</u>	<u>551.20</u>	<u>551.22</u>	<u>551.24</u>	<u>551.26</u>	<u>551.28</u>	<u>551.31</u>	<u>551.33</u>	<u>551.36</u>	<u>551.39</u>	<u>551.43</u>	<u>6,615.34</u>
<b>Net Income</b>	<u>1,585.49</u>	<u>1,713.51</u>	<u>1,643.54</u>	<u>-755.44</u>	<u>687.58</u>	<u>-462.40</u>	<u>421.62</u>	<u>458.65</u>	<u>-1,887.33</u>	<u>532.70</u>	<u>1,613.73</u>	<u>1,713.77</u>	<u>7,265.42</u>

## The Cottages on Fairmount Lane HOA

Date Revised: October 4, 2013

### Account Detail

<b>5020 - Electric Power</b>	Electric for sprinkler clocks.
<b>5080 - General Maintenance</b>	Common area general maintenance.
<b>5100 - Grounds Improvements</b>	Landscape plant material repair and improvement.
<b>5120 - Grounds Maintenance</b>	Grounds maintenance is based on landscape contract bidding process. Arrowhead was the successful bidder for 2014.
<b>5140 - Grounds Repair Sprinklers</b>	Sprinkler repair.
<b>5180 - Snow Removal</b>	Arrowhead Services was the successful bidder for 2014.
<b>5200 - Trash Removal</b>	Trash removal is provided by Allied Waste and includes a rate increase of 3% for 2013.
<b>5220 - Water/Sewer</b>	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 2014 but an increase of 5.5% is expected and incorporated into the 2014 Budget.
<b>5260 - Back Flow Testing</b>	Cost of required annual Backflow Valve testing.
<b>6020 - Administrative</b>	Association costs associated with providing payment coupons, office supplies and copies.
<b>6040 - Audit Tax</b>	Annual tax return preparation.
<b>6120 - Insurance</b>	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.
<b>6280 - Postage and Delivery</b>	
<b>6300 - Property Management</b>	HOA Management provided by Stillwater Community Management.
<b>6390 - Bank Fees</b>	Bank fees are for providing ACH services to the HOA.
<b>6420 - Transfer to Reserve</b>	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: October 4, 2013

**Approved: November 1, 2013**

Prepared by: Scott Bristol  
Stillwater Community Management, LLC  
15400 W 64th Ave.  
Arvada, CO 80007  
p. 303-872-9224 ext. 102  
scott.bristol@scmhoa.com

CONFIDENTIAL © 2009 Copyright Stillwater Community Management, LLC.  
15400 W. 64th Ave, Arvada CO 80007 (303) 872-9224 ext. 102



# The Cottages on Fairmount Lane HOA

October 4, 2013

## PLAN REVISION NOTES 2014

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 2014 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

Reviewed and Revised: October 4, 2013

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	Term	Start	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Gladiola Way Asphalt Repave	99,590	2011	20	2011											
Concrete, Curb, Gutter and Culvert	2,465	2009	7	2011					2,695						
Monument and Entry Repair	1,350	2011	9	2011							1,476				
Perimeter Fence Repair and Replace	5,250	2011	10	2011								5,799			
Major Landscape and Path Repair and Replace	3,050	2011	7	2011					3,270						
Irrigation System Replace	1,250	2011	12	2011										1,409	
Total Scheduled Expenditures					-	-	-	-	5,965	-	1,476	5,799	-	1,409	-
Carryover of previous Year					7,993	14,593	21,259	27,991	34,792	35,696	42,634	49,865	52,860	61,741	69,891
Forecast Interest Earned					-	-	-	-	-	-	-	-	-	-	-
<b>Added to Reserves</b>					<b>6,600</b>	<b>6,666</b>	<b>6,732</b>	<b>6,801</b>	<b>6,869</b>	<b>6,938</b>	<b>8,707</b>	<b>8,794</b>	<b>8,881</b>	<b>9,559</b>	<b>9,654</b>
End of Year Reserve Balance					14,593	21,259	27,991	34,792	35,696	42,634	49,865	52,860	61,741	69,891	79,545
Number of Units					22	22	22	22	22	22	22	22	22	22	22
Monthly Unit Contribution					25.00	25.25	25.50	25.76	26.02	26.28	32.98	33.31	33.64	36.21	36.57
Estimated Rate of Inflation					1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
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%

CONFIDENTIAL © 2009 Copyright Stillwater Community Management, LLC

## The Cottages on Fairmount Lane HOA

Twenty Year Reserve Plan - Exhibit A

Provided by: Stillwater Community Management, LLC

Reviewed and Revised: October 4, 2013

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

Component	Base		Cycle		12	13	14	15	16	17	18	19	20
	Cost	Year	Term	Start	2025	2026	2027	2028	2029	2030	2031	2032	2033
Gladiola Way Asphalt Repave	99,590	2011	20	2011							121,519		
Concrete, Curb, Gutter and Culvert	2,465	2009	7	2011	2,890							3,098	
Monument and Entry Repair	1,350	2011	9	2011					1,615				
Perimeter Fence Repair and Replace	5,250	2011	10	2011							6,406		
Major Landscape and Path Repair and Replace	3,050	2011	7	2011	3,506							3,759	
Irrigation System Replace	1,250	2011	12	2011									
Total Scheduled Expenditures					6,396	-	-	-	1,615	-	127,925	6,857	-
Carryover of previous Year					79,545	82,931	92,810	102,786	112,863	121,425	131,705	14,163	17,793
Forecast Interest Earned					-	-	-	-	-	-	-	-	-
<b>Added to Reserves</b>					<b>9,781</b>	<b>9,879</b>	<b>9,977</b>	<b>10,077</b>	<b>10,177</b>	<b>10,280</b>	<b>10,383</b>	<b>10,486</b>	<b>10,592</b>
End of Year Reserve Balance					82,931	92,810	102,786	112,863	121,425	131,705	14,163	17,793	28,384
Number of Units					22	22	22	22	22	22	22	22	22
Monthly Unit Contribution					37.05	37.42	37.79	38.17	38.55	38.94	39.33	39.72	40.12
Estimated Rate of Inflation					1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Estimated Rate of Interest					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

CONFIDENTIAL © 2009 Copyright Stillwater Community Management, LLC



**The Cottages on Fairmount Lane HOA**

Twenty Year Reserve Plan - Exhibit A

Provided by: Stillwater Community Management, LLC

Reviewed and Revised: October 4, 2013

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

Component	Base		Cycle		Next Pmt	20-Yr Balance	Next Pmt
	Cost	Year	Term	Start			
Gladiola Way Asphalt Repave	99,590	2011	20	2011	2051	13,535	148,277
Concrete, Curb, Gutter and Culvert	2,465	2009	7	2011	2039	461	3,322
Monument and Entry Repair	1,350	2011	9	2011	2038	765	1,766
Perimeter Fence Repair and Replace	5,250	2011	10	2011	2041	1,359	7,076
Major Landscape and Path Repair and Replace	3,050	2011	7	2011	2039	559	4,030
Irrigation System Replace	1,250	2011	12	2011	2035		1,587
<b>Total Scheduled Expenditures</b>							
Carryover of previous Year							
Forecast Interest Earned							
<b>Added to Reserves</b>							
End of Year Reserve Balance							
Number of Units					22		
Monthly Unit Contribution					40.52		
Estimated Rate of Inflation					1.0%		
Estimated Rate of Interest					0.0%		

CONFIDENTIAL © 2009 Copyright Stillwater Community Management, LLC

## The Cottages on Fairmount Lane HOA

October 4, 2013

### 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.

<b>1</b>	<b>Gladiola Way Asphalt Repave</b>	<b>\$ 99,590.40</b>
	Total square feet	18,240.00
	Cost per square foot	\$ 5.46
	Total Cost to scrape and repave	99,590
<b>2</b>	<b>Concrete, Curb, Gutter and Culvert</b>	
	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.	
	Curb and Gutter	2,145
	5% Failure	215
	Cost per Square ft	\$ 8.62
	Sub total curb and gutter	<b>\$ 1,848.99</b>
	Concrete Culvert and drains	1,200
	5% Failure	120
	Cost per square ft	\$ 5.13
	Total Concrete Culvert and drains	<b>\$ 615.60</b>
<b>3</b>	<b>Monument and Entry Repair</b>	<b>\$ 1,350.00</b>
	Repair and replace entry monument every 9 years	
<b>4</b>	<b>Perimeter Fence Repair and Replace</b>	<b>\$ 5,250.00</b>
	Allowance for major repair and preventative maintenance every 10 years. 450 feet of 3 rail split fence.	
<b>5</b>	<b>Major Landscape and Path Repair and Replace</b>	<b>\$ 3,050.00</b>
	Allowance for major repairs or replacement of landscaping materials every 5 years. Includes culvert clean, dredge and flush.	
<b>6</b>	<b>Irrigation System Replace</b>	<b>\$ 1,250.00</b>
	Allowance for major repair and preventative maintenance of sprinkler clocks every 12 years	