

Brookwood Homeowners Association, Inc.
2023 Adopted Operating Budget

Acct	Description	Adopted 2022	Paid thru 7/31/22	Projected 2022	2023 Adopted Budget
INCOME					
4110	Assessments	55,105.00	32,144.56	55,104.96	58,850.00
4310	Capital Contribution	0.00	514.98	882.82	0.00
4410	Interest Income -Operating	0.00	3.07	5.26	0.00
4415	Interest Income- Reserves	0.00	3.00	5.14	0.00
4416	Allocate Interest to Res	0.00	(3.00)	(5.14)	0.00
4420	Interest Income - Owners	0.00	55.09	94.44	0.00
4425	Violation Fine	0.00	2,000.00	3,428.57	0.00
	TOTAL INCOME	55,105.00	34,717.70	59,516.06	58,850.00
EXPENSES General & Administrative					
5120	Insurance Expense	2,882.00	1,651.72	2,831.52	3,100.00
5130	Legal & Professional	500.00	200.00	400.00	500.00
5135	Annual Corporate Report	61.25	61.25	61.25	61.25
5140	Management Contract	8,652.00	5,047.00	8,652.00	8,652.00
5150	Miscellaneous	332.23	193.66	325.00	146.75
5160	Office Supply/Postage/Copies	1,500.00	1,214.57	2,100.00	1,800.00
	General & Administrative	13,927.48	8,368.20	14,369.77	14,260.00
Grounds Maintenance					
6010	Landscape Contract	18,317.52	11,182.50	19,170.00	20,790.00
6020	Landscape Remediation	3,000.00	2,744.98	3,800.00	4,000.00
6050	Irrigation Repairs	3,000.00	1,678.07	2,600.00	3,000.00
6060	Lake Maintenance	1,960.00	1,139.25	1,968.50	2,200.00
	Grounds Maintenance	26,277.52	16,744.80	27,538.50	29,990.00
General Maintenance					
6515	Repairs & Maint. - General	1,200.00	100.00	1,671.43	2,000.00
	General Maintenance	1,200.00	100.00	1,671.43	2,000.00
Utilities					
7040	Electricity	500.00	300.90	515.83	600.00
7090	Water/Irrigation	12,000.00	5,177.78	9,500.00	10,800.00
	Utilities	12,500.00	5,478.68	10,015.83	11,400.00
Contingency Reserve					
8110	Contingency	1,200.00	700.00	1,200.00	1,200.00
	Reserve Expense	1,200.00	700.00	1,200.00	1,200.00
	TOTAL EXPENSES	55,105.00	31,391.68	54,795.53	58,850.00
CURRENT YEAR NET INC/(LOSS)		0.00	3,326.02	4,720.53	0.00

515.00

550.00

The 2023 budget as adopted requires an annual assessment of \$550.00 per member which reflects a \$35 increase (7%) in fee from 2022.

**Brookwood Homeowners Association, Inc
2023 Adopted Budget Assumptions**

INCOME

Assessments

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$55,105.00	\$32,144.56	\$58,850.00

Assessments are based upon the total operating expenses. It is estimated that the annual operating expense for the development will be \$58,850.00 divided by number of lot owners contributing (107) for an annual assessment of \$550.00. per lot per year paid annually.

EXPENSES

Administration Expenses

Insurance

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$2,882.00	\$1,651.72	\$3,100.00

Package policy including General Liability and Property Insurance with Tower Hill at \$1,585.58, Directors & Officers Insurance with USLIC at \$1,116.00, Fidelity Bond Insurance with Philadelphia at \$130.00. TOTAL \$2,831.58. All policies run from November 11, 2021 thru November 11, 2022. An inflationary allowance included for expected increase at renewal.

Legal & Professional

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$500.00	\$200.00	\$500.00

Legal services as may be required to pursue past due collection accounts, review documents as needed, and enforce covenant violations as needed. Additional funds budgeted to cover expenses of income tax preparation by an independent CPA at estimated cost of \$200.00.

Annual Corporate Report

<u>2022</u>	<u>Thru</u>	<u>2023</u>
<u>Budget</u>	<u>7/31/22</u>	<u>Budget</u>
\$61.25	\$61.25	\$61.25

The expense associated with filing the Annual Corporate Report with the state of Florida \$61.25.

Management Contract

<u>2022</u>	<u>Thru</u>	<u>2023</u>
<u>Budget</u>	<u>7/31/22</u>	<u>Budget</u>
\$8,652.00	\$5,047.00	\$8,652.00

Management services include financial reporting, assessment collection, covenant and restriction enforcement, supervision of contracts, etc. No increase is planned for 2023. Management fee at rate of \$721.00 per month. ($\$721.00 \times 12 = \$8,652.00$)

Miscellaneous Contingency

<u>2022</u>	<u>Thru</u>	<u>2023</u>
<u>Budget</u>	<u>7/31/22</u>	<u>Budget</u>
\$332.23	\$193.66	\$636.75

Miscellaneous expenses not covered by another category for fees in conjunction with community sponsored social activities, Yard of the Month gift cards, holiday decorations, etc.

Office Supply/Postage/Copies

<u>2022</u>	<u>Thru</u>	<u>2023</u>
<u>Budget</u>	<u>7/31/22</u>	<u>Budget</u>
\$1,500.00	\$1,214.57	\$2,000.00

Funds budgeted to cover cost of mailing statements, accounts payable, letters to owners, membership mail outs to include annual meeting notices, copies, postage etc. 2022 includes \$359.64 for the website renewal for a term of 3 years. There are two postal rate increases expected in 2023. *Postage for the Budget and Annual meetings will be expensed during the fourth quarter.*

Grounds Maintenance

Landscape Contract

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$18,317.52	\$11,182.50	\$20,100.00

Routine weekly maintenance of turf and plant beds, to include fertilization and insect control. Contract includes 150 bales of pine straw OR 13 yards of bine park mulch installed one time per year and trimming of 47 palm trees one time per year. Contract is with Down to Earth at \$1,575.00 per month. (\$1,575 x 12 = \$18,900). \$100/month average fuel surcharge was included on the invoices since April 2022. A \$100.00 per month fuel surcharge included for 2023. *(Based on market conditions and current contract being under market rate any change in vendor would like result in a higher monthly rate.)*

Landscape Remediation

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$3,000.00	\$2,744.98	\$4,000.00

Extra plant additions or replacements, sod replacement, tree trimming, seasonal annuals, and playground mulch as needed. All items not included in landscape contract. YTD expenses includes \$2,218.03 for sod replacement at playground.

Irrigation – Repairs/Maintenance

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$3,000.00	\$1,678.07	\$3,000.00

Irrigation system maintenance to include replacement of irrigation heads as required, repair of valves, broken lines, pump repairs etc. Irrigation repair and maintenance cost fluctuates seasonally, with most expense occurring in Spring and Summer. In the dormant season the irrigation repair cost is expected to decrease but as the system is aging overall repair cost have increased.

Lake Maintenance

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$1,960.00	\$1,139.25	\$2,200.00

The contractual expense of maintaining three retention ponds in the community. Contract with Solitude Lake Management at current rate of \$165.85 per month. Contract runs from January 1, 2022 thru December 31, 2022. Per vendor contract rate will increase by 5 % in January 2023 to \$174.14 per month. ($174.14 \times 12 = \$2,089.68$). Additional funds included for debris removal as needed.

General Maintenance

Repairs & Maintenance - General

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$1,200.00	\$100.00	\$2,000.00

Funds have been budgeted for the repair/maintenance of signage, pressure washing of all common area sidewalks and entrance signs, landscape lighting, and playground, includes maintenance of all common property within the community. *Pressure washing completed to be billed in August 2022.* Due to the current economic climate, there will likely be increases for materials or labor.

Utilities

Electric

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$500.00	\$300.90	\$600.00

Electric consumption for landscape lighting, irrigation. Average monthly expense at rate of \$42.90 per month.

Water/Irrigation

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$12,000.00	\$5,177.78	\$10,800.00

Water consumption for landscape irrigation. Water expense in 2022 was less than anticipated due to significant rain in 2022, reducing the need for use of metered water for irrigation as well as the continued monitoring by board and management company related to usage. Allowance included for any inflationary increase. *(Weather conditions impact this line item. Typical year average cost \$800 per month with seasonal fluctuations)*

GENERAL CONTINGENCY

General Contingency

<u>2022</u> <u>Budget</u>	<u>Thru</u> <u>7/31/22</u>	<u>2023</u> <u>Budget</u>
\$1,200.00	\$700.00	\$1,200.00

The budget includes an allocation to a general contingency account to fund unforeseen contingencies and for future repairs and replacement of the community common property infrastructure, monument signs, tot lot, fencing, irrigation pump and components, etc. of the Association.