

FOUNTAIN HILLS COMMUNITY ASSOCIATION

FY 10 OPERATING BUDGET NOTES
Fiscal Year: July 1, 2009 to June 30, 2010

SUPPLEMENTAL "VILLAGE" BUDGET

The "Village" homes are those homes located on the following streets and private alleys:

Public Streets:

Cub Run Way
Fountain Hills Drive
Noble Oak Drive

Ponsford Place
Porterfield Way
Scarlet Mist Way

Private Alleys:

Cary Acres Court
Conlon Ridge Court
Cornelius Court

Malcolms Cove Court
Noble Oak Court
Scarlet Mist Court
Scarlet Mist Lane

1. INCOME:

- a. Residential Assessments: The total income generated from the supplemental monthly supplemental assessment charged to all "Village" homeowners. The supplemental assessment intended to pay those costs attributable to the private paved alleys within the "Village" section of the community, including snow clearing.

2. EXPENSES:

- a. Reserve Contributions: The calculations of the reserve contributions are based upon the combination of a review of the available site plans, information provided by the Developer, consultation with various contractors and the experience of the preparer.

The funding shown in the operating budget spreadsheet is based upon a comprehensive reserve schedule which is an attachment to the operating budget.

- i. Gross Reserve Contribution: The total gross reserve contribution necessary to meet the funding goals established through the comprehensive reserve schedule which has estimated the expected useful life and replacement cost of each community asset.
- ii. Less: Reserve Interest: Allocation of the interest income earned by the deposit of reserve funds to secure investment vehicles such as money market and certificate of deposit accounts. The earned interest thereby reduces the monthly cash deposit required to meet the funding goals established through the reserve schedule.
- iii. Net Reserve Contribution: The actual cash outlay for deposit into reserve accounts which is necessary to meet the established funding goals as previously discussed.
- b. General Maintenance:
- i. Parking Lot Maintenance: Allocation for the cleaning of sand and debris from private Association alleys after the snow removal season has ended.
- ii. Snow Clearing: Funding has been allocated during the winter season for the plowing and sanding of the private asphalt alleys and certain sidewalks **that are not directly in front of an individual home** as well as those within the Montgomery County owned rights-of-way. **The laws requires private homeowners, including those in single family homes, to clear the sidewalks at the front of their homes, even though they may actually be common sidewalks.**
- iii. Operating Contingency: Provision for those unexpected expenses, unique to the services afforded to the townhouses, encountered by the Association which exceed the above budgeted amounts.

FOUNTAIN HILLS COMMUNITY ASSOCIATION FY 2010 OPERATING BUDGET

July 1, 2009 through June 30, 2010

SUPPLEMENTAL "VILLAGE" BUDGET

Additional Monthly Assessment:	\$8.00	-6.43%	Increase over FY2009
Total Monthly Assessment:	\$54.20	-1.00%	Increase over FY2009

	ANNUAL TOTAL:	FY2009 Total	\$ Change	% Change
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INCOME:

Residential Assessments	\$15,648.00	\$16,723.80	(\$1,075.80)	-6.43%
ADJUSTED INCOME:	\$15,648.00	\$16,723.80	(\$1,075.80)	-6.43%

EXPENSES:

Reserve Contributions:

Gross Reserve Contribution	\$5,941.08	\$6,296.82	(\$355.75)	-5.65%
<i>Sub-Total:</i>	\$5,941.08	\$6,296.82	(\$355.75)	-5.65%
Less: Reserve Interest:	(\$1,746.06)	(\$1,484.92)	(\$261.14)	17.59%
Net Reserve Contribution:	\$4,195.02	\$4,811.90	(\$616.88)	-12.82%

Maintenance:

Parking Lot Maintenance	\$3,650.00	\$3,750.00	(\$100.00)	-2.67%
Snow Clearing	\$6,600.00	\$6,600.00	\$0.00	0.00%
Operating Contingency	\$1,200.00	\$1,200.00	\$0.00	
<i>Sub-Total:</i>	\$11,450.00	\$11,550.00	(\$100.00)	-0.87%

TOTAL EXPENSES:

	\$15,645.02	\$16,361.90	(\$716.88)	-4.38%
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NET INCOME/(LOSS)

	\$2.98	\$361.90	(\$358.92)	
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