

GIBSON'S GRANT COMMUNITY ASSOCIATION, INC.

2021 DRAFT BUDGET

	Number of Units	255	Assessment Frequency	M
	For the year beginning	<u>1/1/2021</u>	and ending	<u>12/31/2021</u>

COA # Category

	2020 BUDGET	2021 DRAFT
4000 INCOME		
4020 Assessments	665,104.20	718,820.43
4060 Late Fees	0.00	0.00
4070 Capital/Initial Fees	15,000.00	5,000.00
4080 Closing Fees	0.00	0.00
4100 Interest Operating	10.80	0.00
4180 Clubhouse Usage Fees	2,180.00	1,000.00
4210 Administrative Fees	0.00	0.00
4260 Developer Subsidy	10,000.00	0.00
4340 Interest Reserves	0.00	0.00
4350 Interest Allocate to RSVS	0.00	0.00
4969 Allowance for Doubtful Accts.	(3,000.00)	(2,810.00)
Total:	<u>689,295.00</u>	<u>722,010.43</u>
EXPENSES		
5000 Building Maintenance:		
5010 Building Maintenance	2,500.00	2,500.00
5155 HVAC Maintenance	4,000.00	0.00
5351 Fire Alarm System Inspection	1,500.00	0.00
5352 Fire Alarm Monitoring	400.00	0.00
5059 Contingency Buildings	0.00	5,000.00
Total:	<u>8,400.00</u>	<u>7,500.00</u>
6000 Grounds Maintenance:		
6041 Grounds Maintenance - Common Area	53,820.00	50,320.00
6050 Grounds Maintenance - Private	242,800.00	230,464.00
6059 Grounds Contingency	0.00	5,000.00
6060 Mulch - Playground	0.00	1,000.00
6110 Annual Flowers	0.00	1,500.00
6118 Irrigation Maintenance	2,500.00	1,500.00
6341 Mosquito Control	2,700.00	4,000.00
6352 Snow Pushing - Alleys/Common Walkways	10,000.00	10,000.00
6400 Sidewalk Maintenance	3,000.00	1,500.00

Total: 314,820.00 305,284.00

6700 Environmental:

6710	Holding Pond Maintenance	35,000.00	30,000.00
6711	Nature Preserve - CBEC	15,000.00	15,000.00
6712	Contingency - Environmental	0.00	10,000.00

Total: 50,000.00 55,000.00

7000 Common Area Expense:

7040	Contracted Pool Service	34,000.00	34,500.00
7060	Pool - Supplies	750.00	750.00
7070	Pool & Clubhouse - Heating (Gas)	1,800.00	1,200.00
7080	Pool - Equipment	2,000.00	1,000.00
7084	Pool - Miscellaneous	1,500.00	1,500.00
7161	Clubhouse - Janitorial	8,500.00	8,500.00
7162	Clubhouse - Supplies	550.00	550.00
7201	Clubhouse - Maintenance	3,000.00	3,000.00
7203	Alarm Monitoring/Inspection	0.00	1,910.00
7280	Clubhouse - Exterminating	500.00	500.00
7310	Clubhouse - TV/Internet	3,500.00	3,000.00
7341	Clubhouse HVAC	0.00	4,000.00
7600	Clubhouse - Exercise Equipment	1,500.00	1,500.00
7639	Clubhouse - Security System	2,500.00	2,500.00

Total: 60,100.00 64,410.00

7900 Utilities:

7910	Electric	28,000.00	28,000.00
7920	Water & Sewer	6,000.00	7,500.00
7930	Telephone	1,700.00	2,000.00
7940	Trash Removal	65,300.00	67,320.00
7980	Contingency Utilities	0.00	1,500.00

Total: 101,000.00 106,320.00

8000 Administrative & Management:

8020	Management Fee	43,380.00	45,900.00
8040	Postage	900.00	900.00
8060	Copies/Printing/Supplies	4,000.00	3,500.00
8061	Website	300.00	300.00
8080	CPA Services	1,700.00	1,700.00
8083	Professional - Reserve Study	0.00	0.00
8100	Legal Expense	5,000.00	5,000.00
8106	Legal Expense - Collections	0.00	0.00

8120	Insurance	9,750.00	9,750.00
8125	Fidelity Bond	410.00	410.00
8310	Closing Fees	0.00	0.00
8321	Social Committee	1,500.00	1,500.00
8327	Insurance Deductible	1,000.00	0.00
8343	Reserve Reimbursement	0.00	10,000.00
8340	Contingency Miscellaneous	0.00	5,000.00
8390	Annual Corporate Report	35.00	35.00

Total: 67,975.00 83,995.00

TOTAL OPERATING EXPENSES: 602,295.00 622,509.00

9000 **Reserves:**

9106	Common Area	15,000.00	0.00
9150	Roadways	12,000.00	12,000.00
9171	Pooled Reserves	21,000.00	80,750.00
9173	Other Structures	5,000.00	0.00
9190	Pool	5,000.00	0.00
9201	Storm Water Management	5,000.00	5,000.00
9230	Lighting	3,300.00	0.00
9267	Entrance Monuments	3,950.00	0.00
9268	Nature Preserve - CBEC	1,750.00	1,750.00
9280	Clubhouse	15,000.00	0.00

Total: 87,000.00 99,500.00

9980 **TOTAL EXPENSES:** 689,295.00 722,009.00

9990 **NET SURPLUS (Deficit)** 0.00 1.43

ASSESSMENTS

Budget 2020

DuPlex	188.86
Single Family	235.01
Town	211.28

ASSESSMENTS

Budget 2021 % Increase

of Lots

DuPlex	16	197.09	4.36%	37,841.88
Single Family	223	240.63	2.39%	643,936.51
Town	16	192.93	-8.69%	37,042.04
Lot Only	<u>0</u>	50.00		0.00

TOTAL LOTS BILLED 255 718,820.43

GIBSON'S GRANT COMMUNITY ASSOCIATION INC
CHART OF ACCOUNTS (COA) DESCRIPTION - aka BASIS AND ASSUMPTIONS
2021

COA # Category

4000 INCOME:

4020	Assessments	Total of all maintenance fees for all units. Based on a total of 255 estimated settled lots beginning January 1st.
4060	Late Charges	Charges assessed to a unit with delinquent maintenance fees.
4070	Capital/Initial Fees	Monies collected from new buyer at settlement to fund reserves. Includes the \$750 Builder Capital contribution for each sale as required by the Covenants.
4100	Interest Operating	Interest earned on operating funds.
4180	Clubhouse Usage Fees	Revenue collected for facility rentals.
4196	Keys - Clubhouse	Revenue collected for replacement clubhouse access cards.
4260	Developer Subsidy	Elm St. has indicated they will no longer fund the HOA. Will continue to pay prorated share of ponds 4A & 4B.
4340	Interest Reserves	Total of all reserve income. Interest received is allocated to the various reserve accounts based upon the percentage of funds in each specific reserve account.
4350	Interest Allocate	This entry reflects the reserve interest being taken out of the operating account to be used to additionally fund the reserves.
4969	Allowance for Doubtful Accounts	Referred to as a contra-account, this COA creates an estimate of assessments which may be uncollectable due to bankruptcy or foreclosure. A companion entry in the amount of 1/12 of the COA budget will be made on the balance sheet monthly. This acts as a reduction to the earned income reflected in the 4000 series. It is not an actual expense but a method to account for income reported that may not be collected. Any actual bad debt write-offs throughout the year will reduce the balance sheet entry. The Association's auditor may instruct G/L to adjust this entry (increase or decrease) as part of the year-end auditing process.

EXPENSES:

5000 Building Maintenance:

5010	Building Maintenance	Funds for miscellaneous building repairs for all common area structures.
5059	Contingency Buildings	Funds for unexpected building expenses. IE. Pergola, Pavillions, etc.
5111	Gutter Cleaning	Removed from budget.
5155	HVAC Maintenance	Reallocated to clubhouse category.

5351	Fire Alarm System Inspection	Relocated to Clubhouse category.
5352	Fire Alarm Monitoring	Relocated to Clubhouse category.
6000	Grounds Maintenance:	
	Grounds Maintenance -	
6041	Common	Current contract is with Chester River Landscaping. Contract renewed for 3 years. This is for common area maintenance only. Contract expires in 2023 but rate is held at \$50,320.
6050	Grounds Maintenance. - Private	Current contract is with Chester River Landscaping. Contract has renewed for three years. For private lot maintenance. Contract price is firm until 2023 at \$230,464.00.
6090	Holding Pond Maintenance	COA has been relocated to Environmental.
6110	Annual Flowers	Funds to plant seasonal flowers in common area for beautification.
6118	Irrigation Maintenance	Funds to make minor repairs to the common area irrigation system.
6341	Mosquito Control	Contract with QAC for mosquito treatment. Based on amount on 255 lots at \$15.68 per lot.
6352	Snow Pushing - Alley/Common Walkways	Funds to be used for common area walkway snow removal and alleys.
6400	Sidewalk Maintenance	Allocation to repair sinking or damaged sidewalks in common areas only.
7040	Contracted Pool Service	One year contract with Anchor Aquatics. 2021 proposed contract amount of \$34,500.
7060	Pool - Supplies	Any items related to the operation of the pool. I.E. toilet paper, trash bags.
7070	Pool & Clubhouse - Heating (Gas)	Gas supply to heat pool, bathhouse, clubhouse water and heat.
7080	Pool - Equipment	Repair/replacement of any pool equipment associated with the operation of the pool.
7084	Pool - Miscellaneous	Miscellaneous line item for unexpected pool expenses.
7161	Clubhouse - Janitorial	Cleaning of clubhouse/pool bathrooms during the season. Service is 1 day per week.
7162	Clubhouse - Supplies	Toilet paper, trashbags, wipes, etc. for exercise room.
7201	Clubhouse - Maintenance	Miscellaneous repairs to the interior of the clubhouse.
7203	Alarm Monitoring/Inspection	One year contract with Blazeguard to conduct clubhouse fire system testing/inspection. Total contract amount of \$1500.00. Any repairs to system will be billed on T&M. Includes security system monitoring as well for \$410.
7280	Clubhouse - Exterminating	Contract for pest control for clubhouse. Treats minor pests such as ants & mice.
7310	Clubhouse - TV	DirecTV service for 4 tv's in the clubhouse that services main room and workout room.

7341	Clubhouse HVAC	HVAC contract with Coastal and small funding for repairs.
7600	Clubhouse - Exercise Equip.	Equipment service contract for \$900 p/y. Remaining funds to be used for minor repairs.
7639	Clubhouse - Security System	Maintenance of security and fire system for the clubhouse. Contract with Bay Country Security.
7900	Utilities:	
7910	Electric	Common area electric costs. Street lights, clubhouse, pool, etc.
7920	Water & Sewer	Water & sewer costs for clubhouse and grounds for irrigation.
7930	Telephone	Verizon phone service for 5 lines. Pool 911 phone and two fire/two security system lines.
7940	Trash Removal	Bates Trucking currently under contract. \$19.00 per unit per month to include recycling.
7980	Contingency Utilities	To cover any deficits related to any utility category.
8000	Administration/Management:	
8020	Management Fee	The Management Contract with Sentry Management to pay bills, prepare financial reports, Based upon \$15 per door per month at 255 homes.
8040	Postage	Cost for postage to mail notices, coupons, late notices and other correspondence to owners.
8060	Printing/Copying	Copy and printing expenses for financial reports, meeting notices, correspondence, etc.
8080	CPA Services	Annual Audit performed by an independent CPA. Proposal from Strauss & Associates. Amount of \$1700 is to conduct the 2020 audit review and tax filing.
8100	Legal	Legal services for rule enforcement and collections. Michael S. Neall is the current attorney.
8120	Insurance	The insurance policy expires in June and has been renewed with the existing carrier. Insurance is with Nationwide. Agent is the Whitten Insurance Agency.
8125	Fidelity Bond	Insurance coverage to protect association funds. Current coverage with Nationwide.
8321	Social Committee	Monies for social events that the community may hold for the residents.
8327	Insurance Deductible	Contingency line will fund any insurance deductible. COA to be removed.
8340	Contingency	Allocation for unknown expenses not budgeted.
8390	Annual Corporate Report	Required filing of report to State of MD.
9000	Reserves:	
9106	Common Area	Replacement of any common area items.

9150	Roadways	Reserve for replacement of alley's within the community.
9171	Pool Reserves	Reserve monies not specified to one specific item which allows flexibility to fund other reserve COA categories.
9173	Other Structures	Replacement of common area structures such as the pavilion and others in the community.
9190	Pool	Replacement of any items related to the pool. I.E. pool, furniture & pool equipment.
9201	SWM	Replacement of any items related to the storm water management ponds.
9230	Lighting	Replacement of any lighting fixtures owned by the community.
9267	Entrance Monument	Replacement of entrance monument and brick features at the main entrance.
9268	Nature Preserve - CBEC	Required replacement fund for nature preserve areas.
9280	Clubhouse	Replacement of any items related to the clubhouse. I.E. roof, furniture, exercise equipment, etc.
9296	Capital Fund	Monies set aside for Capital Improvement Projects. Fund eliminated for 2020 budget.

Lawn Maintenance Assessment Detail

Grass Cutting Budget - Owner Lots Only \$230,464.00

Lot Type	Number of Lots	Percent of Lot Type	Annual Fee Per Lot Type	Annual Fee Per Lot - Lawn Maintenance	Monthly Fee - Lawn Maintenance Assessment
Du-Plex	16	6.27%	\$7,200.00	\$450.00	\$ 37.50
Single Family	223	87.45%	\$216,865.27	\$972.49	\$ 81.04
Town	16	6.27%	\$6,400.16	\$400.01	\$ 33.33
TOTAL:	255	100.00%	\$230,465.43		

Total	
Balance of Expenses	\$ 392,045
Replacement Reserves	\$ 99,500
Total Budget Less Grass Cutting	\$ 491,545
Additional Income	\$ 3,190
Adj. Budget Less Additional Income	\$ 488,355
Number of Full Fee Paying Lots	255
Monthly Payment for Balance of Expenses & Reserves	\$159.59

Monthly Payment - Based on 255 Homes

	Number of Lots	Monthly Fee per Lot - TOTAL	Yearly Income Total for All Lot Types
Du-Plex	16	\$ 197.09	\$ 37,841.88
Single Family	223	\$ 240.63	\$ 643,936.51
Town	16	\$ 192.93	\$ 37,042.04
Lot Only	0	\$ 50.00	\$ -
TOTAL:	255		\$ 718,820.43