



# 2008 Budget Overview

Shadowbrook at Town Center  
Community Association, Inc.

December 19, 2007



# Agenda

- Welcome and Introductions 7:05pm
- Presentation of 2008 Budget 7:10pm
- Discussion of Budget 7:30pm
- Discussion of Alternatives 8:10pm
- Vote 8:45pm
- Adjourn 9:00pm



# Panel

## **Board of Directors**

- Rob Rohloff, President
- Shane Turner, Vice President
- Eleanor Love, Treasurer
- Kathy Hedrick, Secretary
- Warner Coffman, Member-at-Large

## **Special Guests**

- Jessica Mooney, GW & Associates
- John Lueder, Lueder Law
- Wayne Johnson, Ray Engineering



# 2008 Budget

	<u>COMMON</u>	<u>TOWNHOMES</u>	<u>SINGLE-FAM</u>	<u>TOTALS</u>
<b><u>INCOME</u></b>				
<b>OPERATING RECEIPTS</b>				
Townhome Homeowners Fees	\$ 49,033.95	\$ 132,592.00	\$ -	\$ 181,625.95
Single-Family Homeowners Fees	\$ 35,930.05	\$ -	\$ 70,770.00	\$ 106,700.05
<b>TOTAL OPERATING RECEIPTS</b>	<b>\$ 84,964.00</b>	<b>\$ 132,592.00</b>	<b>\$ 70,770.00</b>	<b>\$ 288,326.00</b>
<b>TOTAL INCOME</b>	<b>\$ 84,964.00</b>	<b>\$ 132,592.00</b>	<b>\$ 70,770.00</b>	<b>\$ 288,326.00</b>
<b><u>EXPENSE</u></b>				
<b>OPERATING EXPENSES</b>				
GENERAL & ADMIN EXPENSES	\$ 35,679.00	\$ -	\$ -	\$ 35,679.00
LAND MAINTENANCE EXPENSES	\$ 32,485.00	\$ 36,600.00	\$ 57,000.00	\$ 126,085.00
DWELLING EXPENSES	\$ -	\$ 28,792.00	\$ 13,770.00	\$ 42,562.00
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 68,164.00</b>	<b>\$ 65,392.00</b>	<b>\$ 70,770.00</b>	<b>\$ 204,326.00</b>
<b>TOTAL RESERVE FUNDING</b>	<b>\$ 16,800.00</b>	<b>\$ 67,200.00</b>	<b>\$ -</b>	<b>\$ 84,000.00</b>
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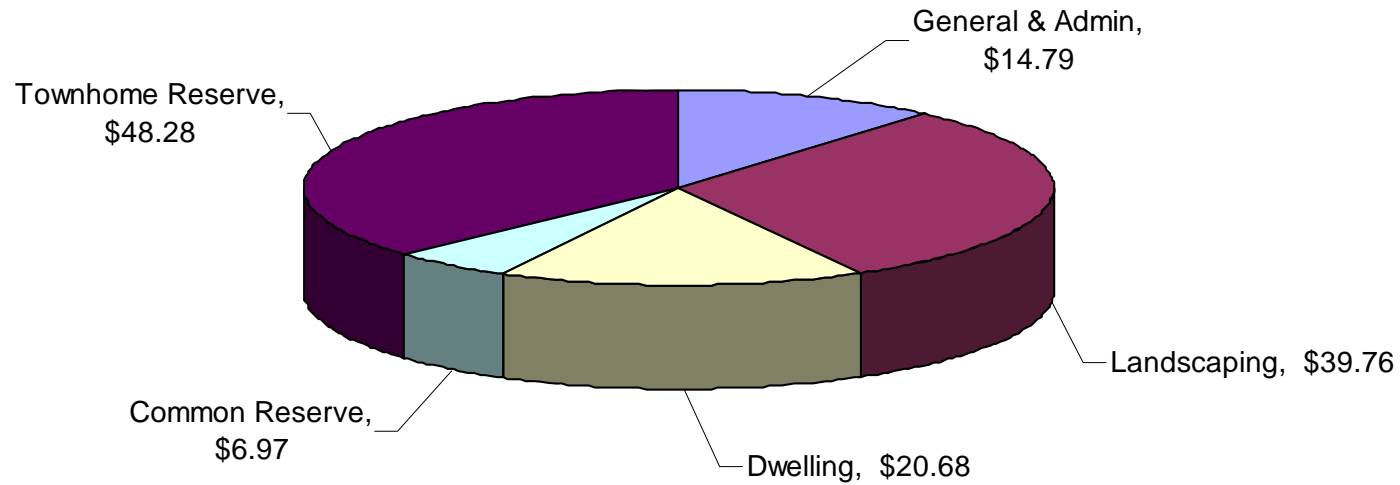
# Income

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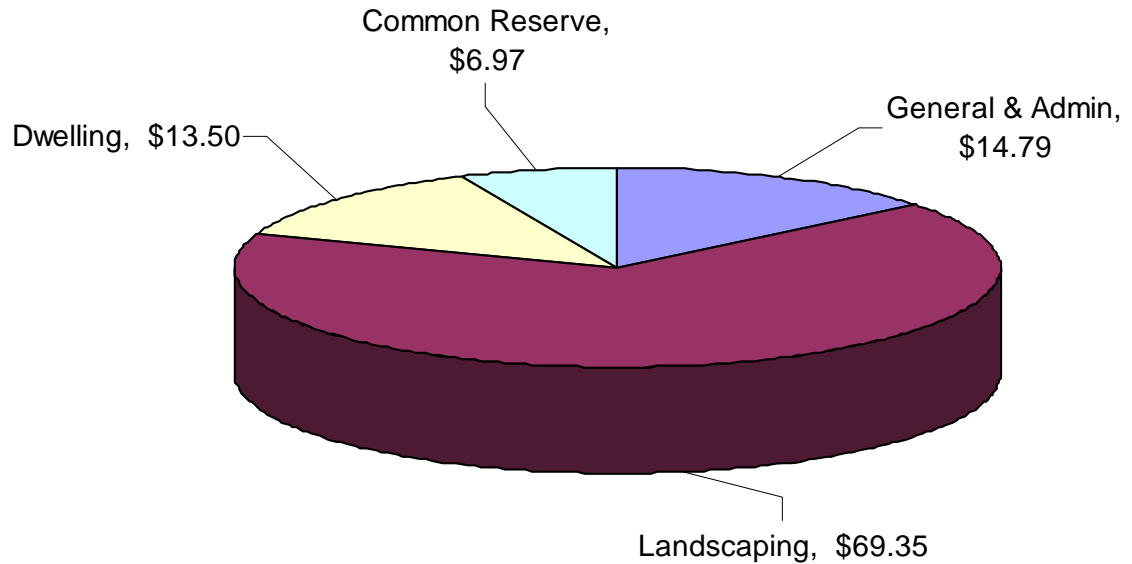


# Where Do My Dues Go?

TOWNHOMES  
\$130



SINGLE-FAMILY  
\$105





# Expenses

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# Operating Expenses

	<u>COMMON</u>	<u>TOWNHOMES</u>	<u>SINGLE-FAM</u>	<u>TOTALS</u>
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# General & Admin Expenses

GENERAL & ADMIN EXPENSES	
Administrative Expense	\$ 1,500.00
Postage	\$ 1,500.00
Legal	\$ 5,000.00
Accounting	\$ 300.00
Insurance	\$ 1,700.00
Common Area Taxes	\$ 150.00
Management	\$ 25,029.00
Association Events	\$ 500.00
Website Maintenance	\$ -
<b>TOTAL GENERAL &amp; ADMIN EXPENSES</b>	<b>\$ 35,679.00</b>

	<u>CONDO HOMES</u>	<u>SINGLE-FAM</u>	<u>TOTALS</u>
	32,592.00	\$ -	\$ 181,625.95
	-	\$ 70,770.00	\$ 106,700.05
	2,592.00	\$ 70,770.00	\$ 288,326.00
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## EXPENSE

### OPERATING EXPENSES

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# Landscaping Expenses

LAND MAINTENANCE EXPENSES				
	<u>COMMON</u>	<u>TOWNHOMES</u>	<u>SINGLE-FAM</u>	<u>TOTALS</u>
Electricity	\$ 3,255.00		\$ -	\$ 3,255.00
Up Lights	\$ 6,500.00	\$ -	\$ -	\$ 6,500.00
Water	\$ 7,200.00	\$ -	\$ -	\$ 7,200.00
Landscaping Contract	\$ 6,000.00	\$ 30,000.00	\$ 40,500.00	\$ 76,500.00
Seasonal Flowers	\$ 2,880.00	\$ -	\$ -	\$ 2,880.00
Pinestraw	\$ 2,750.00	\$ 6,600.00	\$ 16,500.00	\$ 25,850.00
Grounds Maintenance & Improvements	\$ 1,200.00	\$ -	\$ -	\$ 1,200.00
Irrigation Repair & Maintenance	\$ 2,700.00	\$ -	\$ -	\$ 2,700.00
<b>TOTAL LAND MAINTENANCE EXPENSES</b>	<b>\$ 32,485.00</b>	<b>\$ 36,600.00</b>	<b>\$ 57,000.00</b>	<b>\$ 126,085.00</b>
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# Dwelling Expenses

	<u>COMMON</u>	<u>TOWNHOMES</u>	<u>SINGLE-FAM</u>	<u>TOTALS</u>
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<b>DWELLING EXPENSES</b>				
	<u>COMMON</u>	<u>TOWNHOMES</u>	<u>SINGLE-FAM</u>	<u>TOTALS</u>
Sanitation	\$ -	\$ 18,792.00	\$ 13,770.00	\$ 32,562.00
Termite Bond	\$ -	\$ 10,000.00	\$ -	\$ 10,000.00
<b>TOTAL DWELLING EXPENSES</b>	<b>\$ -</b>	<b>\$ 28,792.00</b>	<b>\$ 13,770.00</b>	<b>\$ 42,562.00</b>
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# Operating Expenses

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# Reserve Fund

	<u>COMMON</u>	<u>TOWNHOMES</u>	<u>SINGLE-FAM</u>	<u>TOTALS</u>
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# What are Reserves?

- Funds set aside in a separate account
- Used to maintain and replace capital components
- Not to be used for maintenance or operations expenses
- Required by the Governing Documents



# Why Have Reserves?

- **The docs require** that the Association is responsible for the townhome maintenance

*“The Association shall have the obligation to maintain the exterior portions...within the Townhome Neighborhood, including, but not limited to, painting exteriors, roofing materials, window wells, and exterior doors.”*

*-Supplemental Declaration, Article I, Section 1.1*



# Why Have Reserves?

- **The docs require** that the Board put money in reserves annually to fund this maintenance

*“The budget...shall include an annual contribution to a **reserve fund** for repair and replacement of any assets for which the Association is responsible which have an expected useful life of three years or more.”*

*-Covenants, Article VIII, Section 8.1*



# Why Have Reserves?

- **The docs require** that the reserves provide sufficient funds for repair or replacement of assets as required

*“The amount of such contribution shall be based upon the Board's **reasonable estimate** of the annual contribution needed over the remaining estimated useful life of each asset to provide sufficient funds for repair or replacement of such asset as required”*

*-Covenants, Article VIII, Section 8.1*



# What is a Reserve Study?

- A report giving a **reasonable estimate** of the amount of money which must be put aside to replace or restore common elements and building components



# Benefits

- Provides fair and equitable funding of reserves over time
- Helps to prevent future financial crises due to lack of long-term financial planning
- Provides knowledgeable assessment of future reserve funding needs
- Eliminates need for large, unexpected special assessments



# Ray Engineering

- Founded in 1990
- Extensive experience in single-family, multi-family, and commercial construction markets
- Professional Affiliations
  - American Society of Civil Engineers
  - National Society of Professional Engineers
  - Member of the National Council of Examiners for Engineering and Surveying
  - Community Associations Institute
- Wayne Johnson
  - Civil Engineer, University of Missouri
  - Registered Professional Engineer for over 35 years
  - Over 30 years experience in construction and project management

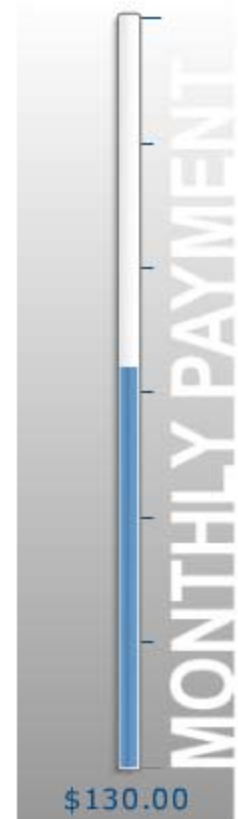
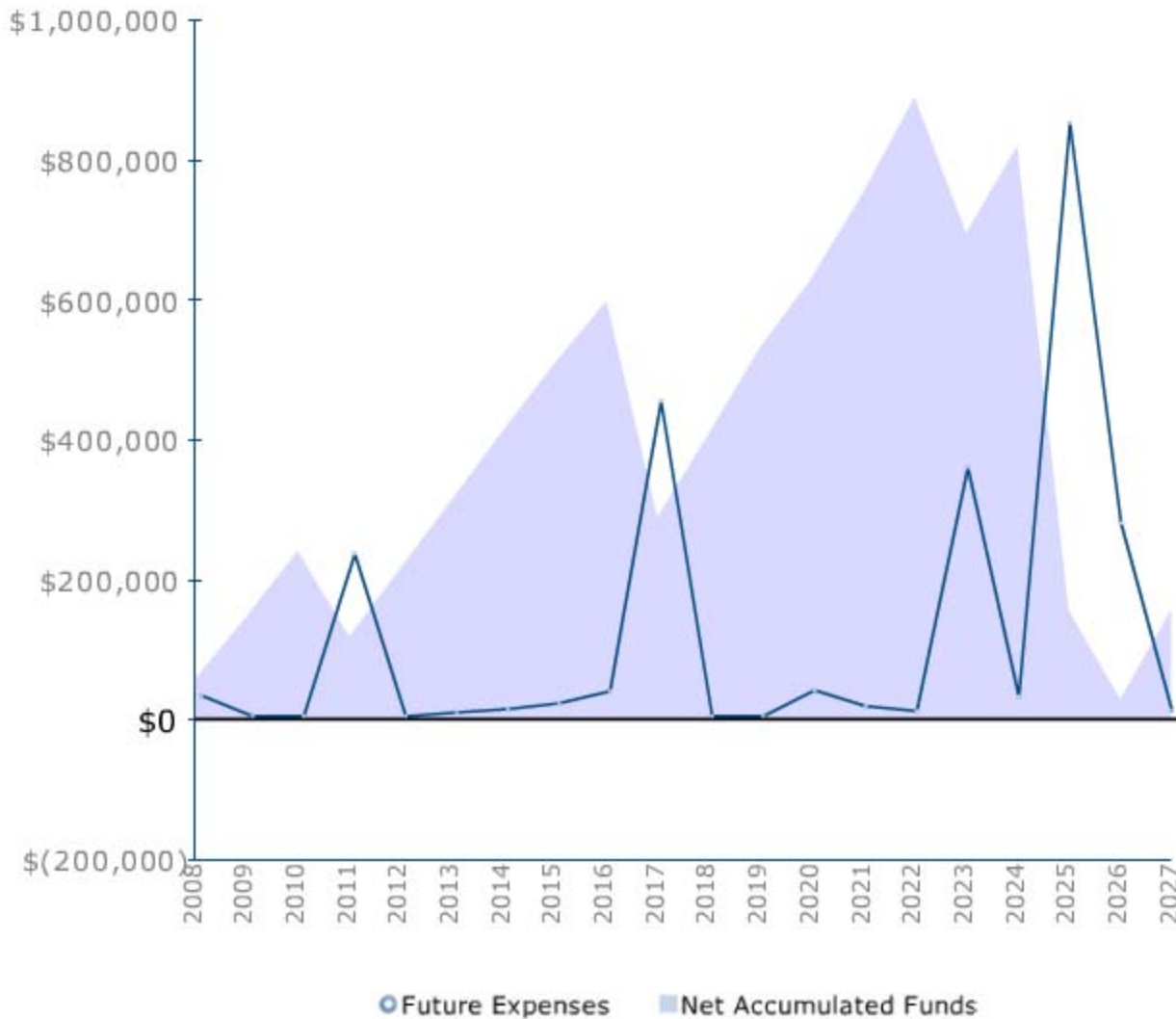


# Partial List of Clients

- Abacus Property Management, Inc., Atlanta
- Access Management Group LP, Roswell
- AIMCO, Atlanta
- Auto Owners Insurance, Duluth
- Bank of North Georgia, Marietta
- Bayview Community Services, Marietta
- Camden Management Partners, Inc., Atlanta
- Capitol Community Management, Atlanta
- Carter Communities, Inc., Woodstock
- Community Management Assoc, Atlanta
- Crescent Heights, Atlanta
- G.E. Capital Corporation, Alpharetta
- G.W. & Associates, Lawrenceville
- Heritage Property Mgt Services, Inc, Atlanta
- Homeowner Mgt Services, Inc., Alpharetta
- John Wieland Homes, Atlanta
- Julian LeCraw Company, Atlanta
- Lane Company, Atlanta
- Lane Investment & Develop. Co., Alpharetta
- Liberty Mutual Insurance Company
- Miles Properties, Inc., Atlanta
- Park Place on Peachtree Condo Assoc
- Parkside Management, Inc., Atlanta
- Planned Community Services, Norcross
- R. James Properties, Atlanta
- RAM Partners, Atlanta
- Realty Mgt and Investment Co., Atlanta
- ShaBen & Associates, Inc., Suwanee
- Team Management, LLC, Marietta
- The Dept of Community Affairs, Atlanta
- Today Management, Inc., Roswell
- Working Solutions, Inc., Kennesaw
- Zohouri Development, Atlanta



# Saving For the Future





# Q & A

## RULES

- No questions until after the presentation
- 2 minutes per speaker
- To speak or ask a question, raise your hand
- When you are given the floor, please first give your name, then ask your question
- Be respectful!

## PANEL

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- Shane Turner, Vice President
- Eleanor Love, Treasurer
- Kathy Hedrick, Secretary
- Warner Coffman, Member-at-Large
  
- Jessica Mooney, GW & Associates
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