

**MILLSTONE ASSOCIATION, INC.**  
**Proposed Budget for the Period**  
**January 1, 2016 - December 31, 2016**

Description	2015 Approved Budget	2015 YTD Actual July	2015 Jan-Dec Projection	2015 Budget vs Jan - Dec Projection	2016 Proposed Budget	2016 Monthly Cost Per Home	Comments
<b>Revenues</b>							
Maintenance Fees	331,376.00	183,409.21	314,415.79	(16,960.21)	378,720.00	157.80	
Fines	0.00	6,320.00	10,834.29	10,834.29	0.00	0.00	
Gate Card / Clickers	0.00	275.00	471.43	471.43	0.00	0.00	
Bar Code Stickers Income	0.00	750.00	1,285.71	1,285.71	0.00	0.00	
Late Fees	0.00	494.28	847.34	847.34	0.00	0.00	
Interest Income	0.00	(13.52)	(23.18)	(23.18)	0.00	0.00	
Bank Interest Income	0.00	6.91	11.85	11.85	0.00	0.00	
Bad Debt Recovery Income	0.00	534.72	916.66	916.66	0.00	0.00	
Homeowner Work Order Income	0.00	230.00	394.29	394.29	0.00	0.00	
Cable TV Income	0.00	3,049.98	5,228.54	5,228.54	0.00	0.00	
Capital Contributions	10,080.00	2,524.80	4,328.23	(5,751.77)	12,000.00	0.00	
Projected Developer Funding	20,786.00	0.00	0.00	(20,786.00)	85,279.54	35.53	
<b>Total Revenues</b>	<b>362,242.00</b>	<b>197,581.38</b>	<b>338,710.94</b>	<b>(23,531.06)</b>	<b>475,999.54</b>	<b>193.33</b>	
<b>Administrative Expenses</b>							
Insurance	16,240.00	9,840.82	16,869.98	(629.98)	16,500.00	6.88	Includes finance charge
Office Expenses	4,500.00	3,558.82	6,100.83	(1,600.83)	5,000.00	2.08	
Accounting Fees	3,000.00	2,950.00	2,950.00	50.00	2,950.00	1.23	Engagement ltr for 2015 Review has been approved
Legal Fees	8,000.00	15,108.05	25,899.51	(17,899.51)	10,000.00	4.17	Over budget due to attorney bringing long-term accounts in collection to closure through the foreclosure process. Not to be duplicated in 2016.
License, Permits, Fees & Taxes	312.00	5,185.00	5,185.00	(4,873.00)	900.00	0.38	Estimated Fed Tax \$550; pool permit \$250
Bad Debt Expense	15,000.00	0.00	0.00	15,000.00	10,000.00	4.17	
Homeowner Work Order Expense	0.00	150.00	257.14	(257.14)	0.00	0.00	
Office Personnel	40,943.00	26,014.73	44,596.68	(3,653.68)	44,329.50	18.47	3 days per week, 5 days per week by build-out
Management Service Contract	21,000.00	12,395.00	21,248.57	(248.57)	21,000.00	8.75	Castle
Telephone	1,500.00	870.06	1,491.53	8.47	1,500.00	0.63	AT&T Gates
<b>Total Administrative Expenses</b>	<b>110,495.00</b>	<b>76,072.48</b>	<b>124,599.25</b>	<b>(14,104.25)</b>	<b>112,179.50</b>	<b>46.74</b>	
<b>Operating Expenses</b>							
Lawn Maintenance	53,766.00	26,752.50	45,861.43	7,904.57	112,214.00	46.76	increased 8-13-15 to YE 2016
Landscape - Other	10,000.00	2,950.00	5,057.14	4,942.86	11,680.00	4.87	Consolidation of accts: 700120, 700155, 700200, & 701151 Berm
Landscape - Mulch	8,000.00	0.00	0.00	8,000.00	10,000.00	4.17	
Landscape - Annuals	6,000.00	210.00	360.00	5,640.00	6,000.00	2.50	2 times a year
Landscape - Sod Replacement - Common Area	0.00	0.00	0.00	0.00	0.00	0.00	Consolidated to acct#700120
Tree Trimming and Tree Replacement	0.00	0.00	0.00	0.00	0.00	0.00	Consolidated to acct#700120
Irrigation - Repairs & Maintenance	10,000.00	4,797.60	8,224.46	1,775.54	10,000.00	4.17	Fountain on Addendum
Lake Maintenance, Monitoring, and Report	25,000.00	13,440.00	23,040.00	1,960.00	25,000.00	10.42	Proposal under consideration to reduce preserve maint. From 4 to 2 services per year at an annual cost savings of \$4,000
Berm Cleanup	0.00	0.00	0.00	0.00	0.00	0.00	Consolidated to acct#700120
General Repairs & Maintenance	5,000.00	12,489.29	21,410.21	(16,410.21)	5,000.00	2.08	Over budget due to \$10,811 cost for SPF Underground installation of PVC and hand holds in order to install 15 street lights along 21st Street.
Janitorial Service	5,500.00	3,049.50	5,227.71	272.29	5,500.00	2.29	
Maintenance/Janitorial - Supplies	1,000.00	340.06	582.96	417.04	1,000.00	0.42	includes purchasing necessary int. & ext. cleaning supplies

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Janitorial Supplies	0.00	0.00	0.00	0.00	0.00	0.00	Consolidated to acct# 702010
Pest Control Service Contract	672.00	417.30	715.37	(43.37)	725.00	0.30	
Wildlife Control	500.00	0.00	0.00	500.00	500.00	0.21	
Camera Lease	5,800.00	3,367.28	5,772.48	27.52	4,810.04	2.00	Ten (10) payments remaining; lease expires in October 2016
Camera Monitoring - Pool, Clubhouse, Ent	10,404.00	6,066.90	10,400.40	3.60	10,716.00	4.47	Factor in a 3% increase
Gate Repairs & Maintenance	2,000.00	774.65	1,327.97	672.03	2,000.00	0.83	
Electricity-Street Lights	25,000.00	14,710.87	25,218.63	(218.63)	25,000.00	10.42	FPSC currently has no rate increase request from FPL
Electricity - all other	19,000.00	11,417.46	19,572.79	(572.79)	19,000.00	7.92	FPSC currently has no rate increase request from FPL
Water & Sewer	1,600.00	2,865.24	4,911.84	(3,311.84)	4,200.00	1.75	Under budgeted for 2015
Bulk Services Clubhouse (Cable, Internet, Phone)	2,500.00	1,599.25	2,741.57	(241.57)	3,500.00	1.46	Added Music channels to cable for sound system
Trash Removal	200.00	89.88	154.08	45.92	200.00	0.08	
Alarm Monitoring - Clubhouse	430.00	254.40	436.11	(6.11)	430.00	0.18	\$381.60 annual fee plus one service call, as needed
Fire Alarm Maintenance	1,575.00	0.00	0.00	1,575.00	400.00	0.17	Annual alarm system inspection, estimated
Alarm Monitoring - Homes	37,800.00	20,873.52	35,783.18	2,016.82	45,360.00	18.90	addition of builder homes
Clubhouse - Repairs & Maintenance	7,500.00	3,824.92	6,557.01	942.99	7,500.00	3.13	
Pool Maintenance - Contract	6,000.00	3,500.00	6,000.00	0.00	6,300.00	2.63	Estimated 5% increase to \$525.00 per month
Repairs & Maintenance - Pool	3,500.00	1,462.39	2,506.95	993.05	3,500.00	1.46	Includes filter replacement 2x per year-new to budget
Social Activities/Events	1,000.00	38.80	66.51	933.49	5,000.00	2.08	
Holiday Lighting					10,000.00	4.17	
Fitness Equipment Maintenance & Repairs	2,000.00	0.00	0.00	2,000.00	1,000.00	0.42	Qtrly maintenance Contract New Fitness Machines on Addendum
<b>Total Operating Expenses</b>	<b>251,747.00</b>	<b>135,292.31</b>	<b>231,929.67</b>	<b>19,818.18</b>	<b>336,535.04</b>	<b>140.22</b>	
<b>Reserves</b>							
General Reserves	0.00	0.00	0.00	0.00	27,285.00	11.37	Or: 200/370 x \$50,478 = \$28,650
<b>Total Reserves</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>27,285.00</b>	<b>11.37</b>	
<b>Total Expenses</b>	<b>362,242.00</b>	<b>211,364.79</b>	<b>356,528.93</b>	<b>5,713.93</b>	<b>475,999.54</b>	<b>198.33</b>	
<b>Net Income (Loss)</b>	<b>0.00</b>	<b>(13,783.41)</b>	<b>(17,817.99)</b>	<b>(29,244.99)</b>	<b>0.00</b>		
<b>TOTAL EXPENSES</b>	<b>362,242.00</b>				<b>475,999.54</b>		
<b>Number of homes used in fee calculation</b>	<b>175</b>				<b>200</b>		Number of Homes
<b>Monthly Maintenance Fee</b>	<b>172.50</b>				<b>198.33</b>		
<b>Monthly Maintenance Fee to be Charged</b>	<b>157.80</b>				<b>157.80</b>		