

HHCI BUDGET & FINANCE COMMITTEE
MEETING MINUTES
September 23, 2009

The meeting convened at 2:03 PM in Unit A105. Present were Warren Miller, George Field, Charles Unger, Steve Verosko, Ed Plummer, Kay Franklin, and Jean Herr.

Warren Miller noted that our three biggest expense items in order are electricity, water and insurance. A brief discussion led to the conclusion that it might be useful to include in the next newsletter suggestions for water conservation.

Warren Miller next led an account-by-account review of a draft budget. Projected figures for 2009 were compared to Warren's own proposals and to SCS's suggested budget and a consensus was reached for amounts for the committee's proposed budget. The review got as far as starting with the Repair & Maintenance numbers by 4 PM at which time most of the committee had to leave.

Using the committee's work down thru contracts and Warren's suggested numbers for the remaining budget items, the attached spreadsheet was prepared. Notice that the number for Insurance reflects the actual invoice amount that became available after the meeting. The spreadsheet shows Residential Assessments corresponding to a monthly amount per unit of \$380. Residents are encourage to review this draft and offer comments. A final budget must be adopted by the November Board meeting.

The next meeting will be Wednesday, October 28th.

The meeting adjourned at 4:07 PM.

Respectfully submitted, Ed Plummer

2008 - 20010 HHCI Budget

25-Sep-09

	(A)	(B)	(C)	(D)	(E) SCS Proposed Budget 2010	(F) Variance (C) v (D)	(G) Variance (D) v (E)	(H) Notes
	Actual 2008	Budget 2009	Projected 2009	Proposed 2010				
REVENUE								
4001 - Residential Assessments	\$ 319,200.00	\$ 323,760.00	\$ 323,760.00	\$ 346,560.00	\$ 356,657.00	7.04%	2.91%	1
4101 - Investment Income (Interest)	\$ 10,167.25	\$ 11,000.00	\$ 10,769.10	\$ 9,800.00	\$ 12,420.00	-9.00%	26.73%	
Other Income								
4013 - Direct Debit Application Fees	\$ -	\$ -	\$ 15.00	\$ -	\$ -	-100.00%		2
4301 - Late fees	\$ 275.00	\$ 500.00	\$ 517.00	\$ 500.00	\$ 540.00	-3.29%	8.00%	
4302 - Legal Fee Income	\$ -	\$ -	\$ 365.00	\$ -	\$ -	-100.00%		
4303 - Delinquency Processing Income	\$ 50.00	\$ -	\$ 25.00	\$ -	\$ -	-100.00%		
4318 - In-Unit Service Income - Labor	\$ 300.00	\$ -	\$ 2,679.52	\$ -	\$ -	-100.00%		
4323 - Utility Deposit Interest	\$ -	\$ -	\$ 1.16	\$ -	\$ -	-100.00%		
4332 - Miscellaneous Income (HOA Trash Refd)	\$ 9,927.59	\$ 9,925.00	\$ 9,923.04	\$ 10,000.00	\$ 11,400.00	0.78%	14.00%	
4333 - Prior Fiscal Year Income	\$ -	\$ -	\$ -	\$ -	\$ -			
Total Other Income	\$ 10,552.59	\$ 10,425.00	\$ 13,525.72	\$ 10,500.00	\$ 11,940.00	-22.37%	13.71%	
Total HHCI Income	\$ 339,919.84	\$ 345,185.00	\$ 348,054.82	\$ 366,860.00	\$ 381,017.00	5.40%	3.86%	
Administrative Expenses								
5001 - Office Supplies	\$ 538.22	\$ 450.00	\$ 248.29	\$ 150.00	\$ 150.00	-39.59%	0.00%	
5010 - Postage	\$ 834.46	\$ 1,000.00	\$ 600.00	\$ 660.00	\$ 660.00	10.00%	0.00%	
5015 - Printing/Copying	\$ 1,666.13	\$ 2,000.00	\$ 1,568.07	\$ 1,750.00	\$ 1,752.00	11.60%	0.11%	
5020 - Telephone	\$ 3,496.71	\$ 3,500.00	\$ 3,417.41	\$ 3,500.00	\$ 3,545.00	2.42%	1.29%	
5033 - Web Site	\$ 64.69	\$ -	\$ -	\$ 75.00	\$ -	#DIV/0!	-100.00%	
5040 - Bank Charges	\$ -	\$ -	\$ -	\$ 60.00	\$ 60.00	#DIV/0!	0.00%	
5050 - Permits and Licenses	\$ -	\$ 545.00	\$ 634.66	\$ 270.00	\$ 270.00	-57.46%	0.00%	
5065 - Miscellaneous	\$ 730.12	\$ 866.00	\$ 1,096.82	\$ 1,200.00	\$ 1,212.00	9.41%	1.00%	
5070 - Direct Debit	\$ 884.00	\$ 840.00	\$ 318.00	\$ 312.00	\$ 304.00	-1.89%	-2.56%	
5071 - Off Site Storage	\$ 32.80	\$ 30.00	\$ 90.00	\$ 240.00	\$ 243.00	166.67%	1.25%	
5072 - Community mailings	\$ 45.60	\$ 280.00	\$ 93.00	\$ 342.00	\$ 342.00	267.74%	0.00%	
5073 - Resale Account Set-Up	\$ 75.00	\$ 250.00	\$ 137.00	\$ 175.00	\$ 140.00	27.74%	-20.00%	
5074 - Notary Fee	\$ -	\$ -	\$ -	\$ -	\$ -			
5075 - Architectural Application Fee	\$ 30.00	\$ -	\$ 70.00	\$ 150.00	\$ 150.00	114.29%	0.00%	
5078 - Violation Letter Fees	\$ 125.00	\$ 500.00	\$ 60.00	\$ 75.00	\$ 75.00	25.00%	0.00%	
Total Administrative Expenses	\$ 8,522.73	\$ 10,261.00	\$ 8,333.25	\$ 8,959.00	\$ 8,903.00	7.51%	-0.63%	

Professional Services

5101 - Legal Fees - General Counsel	\$ 2,412.50	\$ 3,000.00	\$ 1,000.00	\$ 3,000.00	\$ 3,000.00	200.00%	0.00%
5105 - Legal Fees - Collections	\$ 21.00	\$ 35.00	\$ 633.00	\$ 1,000.00	\$ 1,000.00	57.98%	0.00%
5106 - Legal - Developer Warranty	\$ 4,602.50	\$ -	\$ -	\$ -	\$ -		
5110 - Audit/Tax Return Preparation	\$ 1,275.00	\$ 1,600.00	\$ 1,600.00	\$ 1,840.00	\$ 1,840.00	15.00%	0.00%
5115 - Management Fees	\$ 14,208.36	\$ 14,700.00	\$ 14,846.32	\$ 15,926.00	\$ 15,926.00	7.27%	0.00%
5121 - Management Delinquency Processing	\$ 210.00	\$ 225.00	\$ 265.00	\$ 360.00	\$ 360.00	35.85%	0.00%
5125 - Consulting/Engineering	\$ -	\$ -	\$ -	\$ -	\$ -		
5130 - Emergency/After Hours Calls	\$ -	\$ -	\$ 115.00	\$ 140.00	\$ 140.00	21.74%	0.00%
Total Professional Services	\$ 22,729.36	\$ 19,560.00	\$ 18,459.32	\$ 22,266.00	\$ 22,266.00	20.62%	0.00%

Board/Committee/Annual Meeting

5801 - Board Expenses	\$ -	\$ 155.00	\$ 52.00	\$ 150.00	\$ 155.00	188.46%	3.33%
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Utilities

5901 - Water/Sewer	\$ 20,654.16	\$ 20,500.00	\$ 22,735.04	\$ 24,475.00	\$ 26,244.00	7.65%	7.23%
5915 - Electricity	\$ 52,738.31	\$ 60,000.00	\$ 61,825.71	\$ 69,000.00	\$ 69,012.00	11.60%	0.02%
5945 - Gas	\$ 558.28	\$ 480.00	\$ 440.00	\$ 510.00	\$ 510.00	15.91%	0.00%
Total Utilities	\$ 73,950.75	\$ 80,980.00	\$ 85,000.75	\$ 93,985.00	\$ 95,766.00	10.57%	1.89%

Contracts

6001 - Landscape Maintenance Contract	\$ 17,741.44	\$ 18,153.00	\$ 17,803.00	\$ 18,700.00	\$ 23,643.00	5.04%	26.43%
6003 - Snow Removal	\$ 1,315.00	\$ 7,200.00	\$ 3,215.00	\$ 7,200.00	\$ 7,200.00	123.95%	0.00%
6006- Janitorial Contract	\$ 12,000.00	\$ 12,500.00	\$ 12,167.00	\$ 12,500.00	\$ 13,200.00	2.74%	5.60%
6007 - Elevator Contract	\$ 5,793.69	\$ 5,900.00	\$ 6,561.28	\$ 6,000.00	\$ 7,590.00	-8.55%	26.50%
6008 HVAC Contract	\$ 2,330.00	\$ 2,400.00	\$ 2,373.00	\$ 2,500.00	\$ 2,930.00	5.35%	17.20%
6011 - Fire Alarm/Sprinkler Inspection Contract	\$ 5,006.45	\$ 3,750.00	\$ 2,841.74	\$ 3,625.00	\$ 5,000.00	27.56%	37.93%
6012 - Trash/Recycling Contract	\$ 16,226.85	\$ 17,532.00	\$ 17,500.00	\$ 17,500.00	\$ 18,727.00	0.00%	7.01%
6023 - Emergency Generator Contract	\$ -	\$ -	\$ -	\$ -	\$ -		
6024 - Trash Removal Other	\$ -	\$ -	\$ -	\$ -	\$ -		
6025 - Alarm Monitoring Contract	\$ 1,180.00	\$ 840.00	\$ 790.00	\$ 945.00	\$ 945.00	19.62%	0.00%
6470 - Fire Suppression Equip Contract	\$ 595.51	\$ 500.00	\$ 2,817.00	\$ -	\$ 500.00	-100.00%	
Total Contracts	\$ 62,188.94	\$ 68,775.00	\$ 66,068.02	\$ 68,970.00	\$ 79,735.00	4.39%	15.61%

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Repair and Maintenance:

6005 - Entry System Repair & Maintenance	\$ 21.28	\$ 1,400.00	\$ 467.00	\$ 500.00	\$ 1,400.00	7.07%	180.00%
6017 - Pest Control Services	\$ -	\$ 500.00	\$ 417.00	\$ 1,080.00	\$ 1,080.00	158.99%	0.00%
6108 - Landscape Other	\$ 3,536.00	\$ 1,000.00	\$ 1,644.00	\$ -	\$ 1,000.00	-100.00%	
6109 - Landscape Improvements	\$ -	\$ -	\$ 6,473.00	\$ -	\$ -	-100.00%	
6201 - Irrigation System Repairs	\$ 125.00	\$ 500.00	\$ 167.00	\$ 500.00	\$ 500.00	199.40%	0.00%
6300 - Lighting Repair & Maintenance	\$ 220.00	\$ 3,000.00	\$ 1,616.50	\$ 3,000.00	\$ 3,000.00	85.59%	0.00%
6301 - Lighting Supplies	\$ 3,027.42	\$ 2,000.00	\$ 1,766.83	\$ 2,000.00	\$ 2,000.00	13.20%	0.00%
6310 - Fence Repair & Maintenance	\$ 1,265.00	\$ -	\$ -	\$ -	\$ -		
6350 - Security Services	\$ -	\$ -	\$ -	\$ -	\$ -		
6352 - Security Systems Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -		
Alarm Monitoring Repair & Maintenance	\$ -	\$ -	\$ -	\$ 625.00	\$ -		-100.00%
6360 - General Repair & Maintenance	\$ 2,191.04	\$ 16,284.00	\$ 7,595.55	\$ 4,000.00	\$ 3,300.00	-47.34%	-17.50%
6361 - General Maintenance Supplies	\$ 79.75	\$ -	\$ 553.37	\$ 500.00	\$ -	-9.64%	-100.00%
6430 - Elevator Repair & Maintenance	\$ 531.52	\$ 2,000.00	\$ 972.76	\$ 500.00	\$ 2,000.00	-48.60%	300.00%
6440 - HVAC Repair & Maintenance	\$ 605.28	\$ 1,200.00	\$ 400.00	\$ 1,200.00	\$ 1,200.00	200.00%	0.00%
6460 - Roof Repair & Maintenance	\$ 1,135.00	\$ -	\$ 3,401.00	\$ 2,000.00	\$ 3,500.00	-41.19%	75.00%
6471 - Fire Suppression Equip R&M	\$ 5,529.52	\$ 4,000.00	\$ 7,162.70	\$ 5,000.00	\$ 6,000.00	-30.19%	20.00%
6480 - Plumbing Repair & Maintenance	\$ 3,508.36	\$ -	\$ 1,798.02	\$ 800.00	\$ 2,000.00	-55.51%	150.00%
6490 - Electrical Repair & Maintenance	\$ -	\$ -	\$ -	\$ 2,000.00	\$ -		-100.00%
6491 - Electrical Supplies	\$ -	\$ -	\$ -	\$ 1,000.00	\$ -		-100.00%
6510 - Painting	\$ 2,350.00	\$ -	\$ -	\$ 1,000.00	\$ -		-100.00%
6515 - Drywall/Plaster Repair	\$ -	\$ -	\$ 1,480.00	\$ 500.00	\$ 1,500.00	-66.22%	200.00%
6520 - Locks/Keys	\$ 430.47	\$ -	\$ 155.94	\$ -	\$ 160.00	-100.00%	#DIV/0!
6530 - Caulking & Waterproofing	\$ -	\$ -	\$ 730.00	\$ 2,000.00	\$ 1,000.00	173.97%	-50.00%
6585 - Garage Repair & Maintenance	\$ -	\$ 500.00	\$ 1,285.00	\$ 2,000.00	\$ 1,553.00	55.64%	-22.35%
6641 - Door Repair & Maintenance	\$ 75.00	\$ -	\$ -	\$ -	\$ -		
Total Repair and Maintenance	\$ 24,630.64	\$ 32,384.00	\$ 38,085.67	\$ 30,205.00	\$ 31,193.00	-20.69%	3.27%

Taxes and Insurance

5201 - Federal Income Tax	\$ 1,423.00	\$ 2,100.00	\$ 133.00	\$ 2,000.00	\$ 2,484.00	1403.76%	24.20%
5202 - State Income Tax	\$ 796.00	\$ 1,040.00	\$ -	\$ 1,000.00	\$ 1,242.00		24.20%
5220 - Insurance premiums	\$ 15,773.66	\$ 16,000.00	\$ 15,400.00	\$ 15,650.00	\$ 17,088.00	1.62%	9.19%
5230 - Insurance Deductible	\$ 1,058.87	\$ 10,000.00	\$ 3,333.00	\$ 10,000.00	\$ 10,000.00	200.03%	0.00%
Total Taxes and Insurance	\$ 19,051.53	\$ 29,140.00	\$ 18,866.00	\$ 28,650.00	\$ 30,814.00	51.86%	7.55%

Reserve Contributions

5310 - Repair and Replacement Reserves	\$ 81,000.00	\$ 93,730.00	\$ 93,730.00	\$ 97,000.00	\$ 95,000.00	3.49%	-2.06%
Painting Reserve Fund	\$ 10,000.00	\$ 10,200.00	\$ 10,200.00	\$ 10,200.00	\$ 10,710.00	0.00%	5.00%
Total Reserve Contributions	\$ 91,000.00	\$ 103,930.00	\$ 103,930.00	\$ 107,200.00	\$ 105,710.00	3.15%	-1.39%

Other Expenses

6910 - Contingency	\$ -	\$ -	\$ -	\$ -	\$ -		
6915 - Bad Debt	\$ 151.00	\$ -	\$ -	\$ 6,475.00	\$ 6,475.00		0.00% 4
6925 - Prior Year Expenses	\$ -	\$ -	\$ -	\$ -	\$ -		
Total Other Expenses	\$ 151.00	\$ -	\$ -	\$ 6,475.00	\$ 6,475.00		0.00%

TOTAL EXPENSES

\$ 302,224.95	\$ 345,185.00	\$ 338,795.01	\$ 366,860.00	\$ 381,017.00	8.28%	3.86%
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TOTAL HHCI NET INCOME/(LOSS)

\$ 37,694.89	\$ -	\$ 9,259.81	\$ -	\$ -	-100.00%	
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Number of Units	76	76	76	76	76	0.00%	0.00%
Annual Condominium Fee	\$ 4,200.00	\$ 4,260.00	\$ 4,138.16	\$ 4,560.00	\$ 4,692.86	10.19%	2.91%
Monthly Condominium Fee	\$ 350.00	\$ 355.00	\$ 344.85	\$ 380.00	\$ 391.07	10.19%	2.91%

Notes:

- 1) Proposed 2010 assessment income figured @ \$380/mo/unit
- 2) No amount budgeted for 2010 for Act 4013 as Board decided not to charge owners the fee
- 3) This amount included in 6011 & 6471
- 4) Bad debt represents \$7.10 of monthly assessment