

2021 Budget Assumptions/Highlights/Comments

Assumptions

1	Adopted a zero based budget methodology, at 937 lots
2	Assumed Developer owns 27 lots at 1/1/21 and closes on 4 homes per month
3	No Deficit Funding in 2021
4	Reserves based on 2018 Reserve Study
5	Tavern budgeted same as of 2020 Budget
6	Lifestyle budgeted at 80% of 2020 Budget due to COV-ID, Operate at a breakeven
7	Pulte pays 25% of base assessment on lots owned
8	No 2021 budget line item for bad debt. 2 homes in foreclosure; have \$3K Allowance on Balance Sheet
9	Landscape Contract, same as 2020
10	Neighborhood landscape pass through at \$48 a month, consistent with current contract. Could change depending on next contract
11	No increase for First Service Residential contract

Highlights/Comments

1	No change in assessments; \$209/\$257
2	For 2021 the budget was initially prepared by FSR and then submitted to the Treasurer and FRC for further development and refinement.
3	Budget format is a hybrid format between prior years' budget and FSR Income Statement.
4	Capital Contribution is approx. \$60k less than in 2020 - resale budget is conservative compared with historical resale activity.
5	Created new groupings and line items to assist in contract and cost management (Landscaping, HVAC, Internet)
6	Added Transition legal expense \$26K
7	Added Committee Expense line item \$30K
8	Added Provision for Unforeseen expenses \$60.5K
9	No deficit funding in 2021, not a budgeted item
10	Large increase in Insurance costs 15%
11	Utilities, Electricity, Water, & Gas needs additional investigation but we support budget levels (see #12 below)
12	Total utilities expense for 2020 is projected to be within 10% of the 2020 budgeted amount
13	Utilities, during 2020, the account code assignment of utility bills by meter was inconsistent with where expenses were budgeted - needs work from Facilities Committee.
14	Utilities, When the 2020 budget was prepared, several street lighting meters and irrigation meters had not been turned over to the association so we had no historical data for them. Needs work from Facilities Committee
15	Cost reduction opportunities to reduce parking lot lights overnight need investigation from Facilities Committee
16	Will endeavor to breakdown Landscape Contract into separate line items.
17	New line items for HVAC and Health and safety
18	New Grouping for Pool expenses
19	FRC will provide a listing of expenses to be reclassified to FSR prior to 12/1/2020 (transactions recorded in an incorrect account)

Del Webb Orlando HOA
Budget Analysis WorkSheet - 2021

		2020 Financial Year		2021 Draft Budget	
GL_Account_Number	Description	2020 Annual Approved Budget	Proposed Annual Budget 2021	B(W) BUD 21 v BUD 20	Remarks
	REVENUE				
40000	Owner Assessments	\$ 2,012,957	\$ 2,079,396	\$ 66,439	937 lots
40002-00	Reserves Funding-	\$ 261,600	271,300	9,700	Based on 2018 HOA Reserves Study; adjusted for prior year expenditures not completed
TBD	Developer Underpayment Assessments	-	(17,200)	(17,200)	Reduced assessment by 75%
40005	Developer Deficit Funding	-	-	-	Community turned over August 2020
40011	Late Fee Income	-	-	-	Purposely do not budget for this
40025	Returned Check Fees (NSF Fee)	-	-	-	Purposely do not budget for this
40063	Assessments - Individual Lot Maint	241,920	253,600	11,680	Based finished lots plus 27 lots at 1/1/21; 4 sales per month
40078	Late Fee Interest	-	-	-	Purposely do not budget for this
40081	Reserve Interest	-	-	-	Not an operating income item; added to Reserve Balance
40093	New/Resale Home Sales Cap. Contrib.	142,000	81,750	(60,250)	New sales 27 @ \$1250 total \$33750; Resale: 4 per Month @\$1000 total \$48000
40115-03	Administrative Fee- - ATP	-	-	-	Purposely do not budget for this
48095	Miscellaneous Income	-	-	-	Purposely do not budget for this
	**TOTAL REVENUE	\$ 2,658,477	\$ 2,668,846	\$ 10,369	
	Control Total			\$ 10,369	
	EXPENSES				
	**ADMINISTRATIVE				
50005	Accounting Fees (Audit Fees)	\$ 10,000	\$ 7,000	\$ 3,000	Confirmed price w/ current CPA Gerstle, Rosen & Goldenberg for 2020 audit.
50015	Bank Charges	300	300	-	Based on prior year. Bad check fees. No maintenance fees.
50024	Computer Services			1,000	Net Cyber contract \$275 per month + \$125 provision for other expenses - total \$400/mo. + \$4,000 allowance for IT calls/repairs; plus provision for software license cost; all per discussion with Technology Committee
		10,000	9,000		
50045-00	Legal Fees-	20,000	10,000	10,000	Based on historical expenses prior to 2020
TBD	Legal Fees Transition	-	26,000	(26,000)	Transition legal support.
50050-00	Permits, Membership, Subscriptions; new label			700	Administrative licenses only . Pools and spas, elevator, tavern, lifestyle. \$280 each pool + \$140 each spa (2). ABT \$392. \$62 corp return
		2,000	1,300		
50054	Management Collected Late Fees	-	-	-	Was a one time expense in prior years - line item to be deleted
50072	Office Equipment Lease	4,000	5,000	(1,000)	\$800/mo split with Lifestyle
50073	Uniform Fees for DWO			600	
		600	-		Allowance for adding Del Webb logo to FSR uniform shirts etc. No longer authorized.
50075	Office Supplies	8,000	5,000	3,000	Will define types of expenses and authorization
50076	Refreshments (includes Coffee Station)	5,000	5,000	-	HOA /membership refreshments
50080	Postage & Mail	4,000	500	3,500	Postage is included for 2021 in Mgmt Contract; was not in Innovation contract for 2020; \$500 for special mailings if necessary
TBD	Committee Expenses	-	30,000	(30,000)	Need proposals for this line item; need BOD authorization to expense against this item
TBD	Provision for Unforeseen	-	60,526	(60,526)	For unexpected items occurring throughout the year
50110	Miscellaneous Expense	5,000	1,000	4,000	Responsibility of FSR Community Manager to maintain expenses within budget
	**TOTAL ADMINISTRATIVE	\$ 68,900	\$ 160,626	\$ (91,726)	
	Control Total			\$ (91,726)	
	**PROPERTY INSURANCE				
52030	Insurance	\$ 65,051	\$ 85,000	\$ (19,949)	Agent projects a 15% increase from actual 2020 of approx \$74k
	**TOTAL PROPERTY INSURANCE	\$ 65,051	\$ 85,000	\$ (19,949)	
	**UTILITIES				
54050-09	Electricity- Street Lights	\$ 142,000	\$ 130,000	\$ 12,000	Total 2021 Electricity budget is essentially equal to 2020 total projected Electricity expenses
54050-18	Electricity- Irrigation	3,000	1,800	1,200	Total 2021 Electricity budget is essentially equal to 2020 total projected Electricity expenses

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54050-22	Electricity- Maint-Bldg, change accounting label	130,000	121,000	9,000	Total 2021 Electricity budget is essentially equal to 2020 total projected Electricity expenses
54050-34	Electricity- Parking Lot	15,000	13,000	2,000	Total 2021 Electricity budget is essentially equal to 2020 total projected Electricity expenses
54070-00	Water & Sewer-	30,000	41,000	(11,000)	New facilities committee to monitor
54070-30	Water & Sewer- Irrigation	240,000	193,000	47,000	New facilities committee to monitor
54100-00	Telephone	7,500	6,500	1,000	503/mo + Virtual Meeting tech \$240
TBD	Internet	-	2,700	(2,700)	225/mo from Brighthouse. Included in Computer in 2020
	**TOTAL UTILITIES	\$ 567,500	\$ 509,000	\$ 58,500	
	Control Total			\$ 58,500	
	**CONTRACTS				
60035	Elevator Maint	\$ 3,000	\$ 3,300	\$ (300)	Includes all elevator maintenance, license (75), and contract (263 Mo) items
60045	Fire Extinguisher Inspection	610	-	610	Combine Fire Ext Insp, Sprinkler insp, and Fire suppression Maint
60050	Sprinkler & Alarm Inspection	2,824	-	2,824	Combine Fire Ext Insp, Sprinkler insp, and Fire suppression Maint
60065	Access Control	12,000	6,000	6,000	Website Hosting (\$3075 annual), door access (2760 Yr); Badge supplies charge to office supplies.
60072	Fitness Equip Lease and PM	22,000	21,000	1,000	1752/mo
60090	Landscape Maint	572,059	573,000	(941)	Holding budget but guidelines endeavor 5-10% decrease; task force assignment
TBD	Lawn Care	-	-	-	Will be split from total Landscape line above for tracking actuals
TBD	Tree Trimming	-	-	-	Will be split from total Landscape line above for tracking actuals
TBD	Mulch	-	-	-	Will be split from total Landscape line above for tracking actuals
TBD	TBD	-	-	-	Will be split from total Landscape line above for tracking actuals
60093	Individual Lot Maintenance	241,920	253,600	(11,680)	Same as lot maintenance revenue (two accounts offset each other)
61000	Management Fees	497,547	491,000	6,547	No increase from the 2020 \$491K; the higher 2020 budget is because the 4% increase was added from Sep to Dec 2020 and total 2021 by the previous BOD; that increase was eliminated by the current BOD.
61010	Pest Control	6,500	6,000	500	Reduced based on 2020 actuals
61022	Clubhouse Cleaning Contract	42,600	47,000	(4,400)	\$42,660 Whitehouse 3550 @ month + A-1Orange 1070 @4 Qrtly; will work with Whitehouse on why not carryover cost
61055	Trash Removal	15,000	15,000	-	Cost linked to number of pickups. Maintain at 2020 level
	**TOTAL CONTRACTS	\$ 1,416,060	\$ 1,415,900	\$ 160	
	Control Total			\$ 160	
	**REPAIRS/MAINTENANCE				
70030	Amenity Center Maint & Repair	\$ 30,000	\$ 18,000	\$ 12,000	Reduce \$12,000 for HVAC new line item below
70060	General Maintenance	30,000	30,000	-	Apparent delayed or deferred maintenance resulted in 2020 over budget situation - includes examples like Air Samples \$2400, Pool Heater repair \$3674, Clubhouse Mold Remediation \$1,449, Boiler room mold \$5334, Ballroom Airwell repairs \$3,177; conclusion is keep 2021 budget same as 2020
70068	Ground Lighting Maint	2,500	1,000	1,500	Repair Bollards Amphitheater \$1,436, Ground Lighting Amphitheater \$2,100, Walkway lights Bocce Ball \$750; do not project this for 2021
70080	Walking Trail Maint	3,000	1,000	2,000	Same condition as above; shell path cost \$13,000 (Pulte paid)
70084	Fire Suppression System	1,566	3,250	(1,684)	Includes fire ext insp, Sprinkler insp & fire supp +Sprinkler Inspection \$1250
70085	Wall/Fence Repair & Maint	17,000	14,600	2,400	Based on actual projected for 2020
70095	Fountain Maint (label change)	4,500	4,300	200	\$360 month = 4320 contract
70106	Traffic Control	2,000	-	2,000	Not required
70120	Sports Courts Maint	3,500	1,000	2,500	Painting and new striping 2020
70125	Sign Maintenance	2,000	2,000	-	Hold for 2021
70135	Landscape Replacement	35,000	25,000	10,000	Reduce for 2021; 2020 actuals show Pulte paid for some items
70137	Irrigation Repair	21,600	22,000	(400)	Facilities, Maintenance committee to analyze
70203-00	Fitness Center Supplies-	2,500	600	1,900	Based on actual projected for 2020
70339	Sports Equip. Replacement	10,000	2,000	8,000	Based on actual projected for 2020

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70301-25	Pool Maint & Cleaning Supplies (should be Clubhouse Supplies)	15,000	12,000	3,000	Includes scent the air \$100 mo - determine need. Needs to rename for Clubhouse supplies
TBD	HVAC Repair and Maint	-	12,000	\$ (12,000)	Added new line - split from amenity center repairs above
TBD	Safety, Security, and Health	-	720	\$ (720)	AED inspections
	**TOTAL REPAIRS/MAINTENANCE	\$ 180,166	\$ 149,470	\$ 30,696	
	Control Total			\$ 30,696	
	POOL EXPENSES				
70301-47	Pool Maint & Cleaning- - Pool/Spa Contract	\$ 4,560	\$ -	\$ 4,560	Not needed; included below
61020	Clubhouse Pool Contract	26,640	26,700	(60)	Contract @2200 per month ; includes supplies
54081	Natural Gas	35,000	-	35,000	assume no need; included below in pool gas
70305-00	Pool Repairs-	15,000	15,000	-	Assumed higher than normal expenses in 2020; kept 2021 budget at 2020 budget
54080	Pool Gas	18,000	35,000	(17,000)	Metering needs further investigation
70301 35	Pool License	-	850	(850)	2 pools and 2 spa license
	**TOTAL POOL OPERATIONS	\$ 99,200	\$ 77,550	\$ 21,650	
	Control Total			\$ 21,650	
	Total Operating Expenses	\$ 2,396,877	\$ 2,397,546	\$ (669)	
				\$ (669)	
	Operating Income (loss)	\$ 261,600	\$ 271,300	\$ (9,700)	
				\$ (9,700)	
	La Tapenade Tavern Activity				
40007	Tavern - Food Revenue	\$ 30,998	\$ 31,000	\$ (2)	C/O 2020 Budget
40008	Tavern - Beverage Revenue	70,904	71,000	(96)	C/O 2020 Budget
40009	Tavern - Pulte Sales Revenue	2,250	-	2,250	None projected; note, HOA was never reimbursed by Pulte
40090	Tavern - Miscellaneous Income (Other)	-	-	-	Do not budget for this
43000	Tavern - Lifestyle Event Revenue	4,000	4,000	-	
	Total Tavern Revenue	\$ 108,152	\$ 106,000	\$ 2,152	
50079	Tavern - Cost of Goods Sold	\$ 68,441	\$ 68,000	\$ 441	C/O 2020 Budget
50088	Tavern - Live Music, Trivia, Karaoke	4,500	4,000	500	C/O 2020 Budget
TBD	Tavern - Leased Equip & Compr. Gas	-	4,800		Includes compressed air, lease for dishwasher, lease for ice machine
50111	Tavern - Other General Expense	22,818	17,200	818	Maintenance, promotions, supplies
50125	Tavern - Credit Card Fees	2,866	2,800	66	C/O 2020 Budget
50127	Tavern - Volunteer Incentives & Socials	1,727	1,400	327	C/O 2020 Budget
70174	Tavern - Cleaning Contract	7,800	7,800	-	C/O 2020 Budget
	Total Tavern Expense	\$ 108,152	\$ 106,000	\$ 2,152	
	La Tapenade Tavern Net Operating	\$ -	\$ -	\$ -	
	LifeStyle Activities				
43005	Lifestyle - Ticketed Event Sales	\$ 57,550	\$ 50,040	\$ 7,510	Adjusted to absorb increase in TV costs
43010	Lifestyle - Fitness Classes Revenue	19,200	15,360	3,840	80% of 2020 Budget
43025	Lifestyle - Beer & Wine Tastings Revenue	2,340	1,872	468	80% of 2020 Budget
43035	Lifestyle - Allocated Advertising Revenue	20,000	16,000	4,000	80% of 2020 Budget
	Total Lifestyle Revenue	\$ 99,090	\$ 83,272	\$ 15,818	
50056	Lifestyle - Ticketed Event Expenses	\$ 57,550	\$ 46,040	\$ 11,510	80% of 2020 Budget
50057	Lifestyle - Breeze & Calendar Expense	11,200	8,960	2,240	80% of 2020 Budget
50059	Lifestyle - Community Event Expenses	1,200	960	240	80% of 2020 Budget
50066	Lifestyle - Fitness Class Expenses	19,200	15,360	3,840	80% of 2020 Budget

2020 Financial Year			2021 Draft Budget		
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50067	Lifestyle - Beer & Wine Tastings Expense	1,200	960	240	80% of 2020 Budget
50068	Lifestyle Supplies	2,100	1,680	420	80% of 2020 Budget
50087	Lifestyle - TVs & Audio NFL Package	3,000	6,400	(3,400)	TV's \$2,200 + NFL \$1,800 + Receiver \$1,000 + BMI \$2700 + Music \$250 = \$7,950
50051	L/S - MotionPix Lic & .Movie Night	1,200	960	240	Motion Pic License \$849 + 12 movies at \$20 = 240 Sum =1090
50013	Lifestyle Misc Expense	2,440	1,952	488	Yariel to provide detail for all expenses
	Total Lifestyle Expense	\$ 99,090	\$ 83,272	\$ 15,818	
	Lifestyle Net Operating	\$ -	\$ -	\$ -	
	**RESERVE TRANSFERS				
80000-00	Reserve Transfers-	\$ 261,600	\$ 271,300	\$ (9,700)	
80001	Reserve Interest	-	-	-	
	**TOTAL RESERVE TRANSFERS	\$ 261,600	\$ 271,300	\$ (9,700)	
	Control Total			\$ (9,700)	
	**PRIOR YEAR ACTIVITY				
70298-00	Prior Year Expense-	\$ -	\$ -	\$ -	
	**TOTAL PRIOR YEAR ACTIVITY	\$ -	\$ -	\$ -	
		\$ -	\$ -	\$ -	
	**TOTAL EXPENSES				Difference of revenue vs. expense \$30,588.94
	Control #				
	Operating Net Income or(Loss)	\$ -	\$ -	\$ -	
				\$ -	

Total Revenue \$ 2,668,846
Less Operating cost (2,397,546)
Net operating income \$ 271,300

Less Reserves (271,300)
Net income/(loss) \$ -

Assessments			
Base Assessment		\$ 185	\$ 185
Reserve Assessment		24	24
Total Assessment Excluding Neighborhood Neighborhood (landscaping)		\$ 209	\$ 209
		48	48
Total Assessment Vista Grande and Vista Bella		\$ 257	\$ 257
Monthly Assessments Year by Year			
2021	\$209.00 Base and \$257.00 (Neighborhood)	- Miscellaneous Charges and Fees:	
2020	\$209.00 Base and \$257.00 (Neighborhood)	- Resale Capital Contribution: \$1,250 new sale; \$1,000 resale	
2019	\$186.00 Base and \$234.00 (Neighborhood)	- Fines: \$100 per occurrence not to exceed \$1,000	
2018	\$186.00 Base and \$234.00 (Neighborhood)	- Rental fees:	
2017	\$183.00 Base and \$230.70 (Neighborhood)	\$ Ballroom: \$300, deposit \$500	
2016	\$183.00 Base and \$230.70 (Neighborhood)	\$ Half Ballroom: \$150, deposit \$300	
2015	\$183.00 Base and \$230.70 (Neighborhood)		