

MONTEREY MASTER OWNERS ASSOCIATION

2020 ADOPTED Budget

|                                     | 2019<br>Adopted<br>Budget | 2019<br>Projected<br>Actual | 2019<br>Variance | 2020<br>Approved<br>Budget | 2020 Budget vs<br>2019 Estimated<br>YE | Notes  |          |  |  |  |
|-------------------------------------|---------------------------|-----------------------------|------------------|----------------------------|--|--|----------|--|--|--|
| <b>Income:</b>                      |                           |                             |                  |                            |  | Hoa Fee Breakdown  |          |  |  |  |
| 00411 · Maintenance Assessment      | 830,685                   | 830,685                     | -                | 1,138,977                  | 308,292                                | 677.96   | 38576.65 |  |  |  |
| 00412 · Reserve Assessment          | 93,620                    | 93,620                      | -                | 96,077                     | 2,457                                  | 57.19  |          |  |  |  |
| Loan Principal                      | 176,100                   | 176,100                     | -                | 176,100                    | -                                      | 104.82   |          |  |  |  |
| <b>2019 Quarterly HOA Fee</b>       |                           |                             |                  |                            |  | 839.97   |          |  |  |  |
| 00413 · Prior Years Surplus         | 22,554                    | 22,554                      | -                | -                          | (22,554)                               | Moved 2019 Surplus of \$70,153 into reserves to reduce reserve amount for 2020 |          |  |  |  |
| 00428 · Transmitter Income          | -                         | 2,490                       | (2,490)          | -                          |  |  |          |  |  |  |
| 00429 · Clubhouse Key               |                           | -                           | -                |                            |  |  |          |  |  |  |
| 00471 · Application Fee             | -                         | 5,651                       | (5,651)          | -                          |  |  |          |  |  |  |
| 00472 · Key Fob                     | -                         | 225                         | (225)            | -                          |  |  |          |  |  |  |
| 00490 · Other Income                | -                         | 9,944                       | (9,944)          | -                          |  |  |          |  |  |  |
| 00491 · Checking Account-Interest   | -                         | 7                           | (7)              | -                          |  |  |          |  |  |  |
| <b>Total Income</b>                 | <b>1,122,959</b>          | <b>1,141,276</b>            | <b>(18,317)</b>  | <b>1,411,154</b>           | <b>288,195</b>                         | 839.97   |          |  |  |  |
| <b>Expense:</b>                     |                           |                             |                  |                            |  |  |          |  |  |  |
| 00500 · Electricity                 | 52,000                    | 49,000                      | 3,000            | 50,000                     | 1,000                                  |  |          |  |  |  |
| 00504 · Water/Sewer                 | 5,700                     | 6,219                       | (519)            | 5,700                      | (519)                                  |  |          |  |  |  |
| 00508 · Refuse                      | 2,700                     | 2,700                       | -                | 2,700                      | -                                      |  |          |  |  |  |
| 00520 · Cable & Internet            | 8,000                     | 8,000                       | -                | 2,000                      | (6,000)                                | Switch to Hotwire by 4/30/20   |          |  |  |  |
| 00600 · General Maintenance         | 23,000                    | 43,640                      | (20,640)         | 25,500                     | (18,140)                               | See Breakdown  |          |  |  |  |
| 00626 · Amenity Maintenance         | 170,811                   | 147,308                     | 23,503           | 160,220                    | 12,912                                 |  |          |  |  |  |
| 00650 · Security Contract           | 186,763                   | 183,000                     | 3,763            | 198,400                    | 15,400                                 |  |          |  |  |  |
| 00660 · Pool Maintenance            | 9,480                     | 9,401                       | 79               | 9,480                      | 79                                     |  |          |  |  |  |
| 00700 · Grounds Maintenance         | 109,446                   | 110,295                     | (849)            | 106,945                    | (3,350)                                | See Breakdown  |          |  |  |  |
| 00703 · Storm Sewer Maintenance     | 4,500                     | 3,450                       | 1,050            | 4,500                      | 1,050                                  |  |          |  |  |  |
| 00704 · Exotic Plant Control        | 3,200                     | 3,200                       | -                | 3,200                      | -                                      |  |          |  |  |  |
| 00706 · Landscape Improvement       | 8,600                     | 365                         | 8,235            | 8,600                      | 8,235                                  |  |          |  |  |  |
| 00711 · Perimeter Wall Maintenance  | 1,000                     | -                           | 1,000            | 1,000                      | 1,000                                  |  |          |  |  |  |
| 00712 · Street Signs/Railings       | 1,500                     | 1,500                       | -                | 1,500                      | -                                      |  |          |  |  |  |
| 00720 · Tennis & Sports Court Maint | 20,000                    | 16,418                      | 3,582            | 20,000                     | 3,582                                  |  |          |  |  |  |
| 00725 · Lake Maintenance            | 24,000                    | 14,315                      | 9,685            | 16,000                     | 1,685                                  |  |          |  |  |  |
| 00730 · Fountain Maintenance        | 1,200                     | 600                         | 600              | 600                        | -                                      |  |          |  |  |  |
| 00735 · Security Gates              | 3,500                     | 186                         | 3,314            | 3,500                      | 3,314                                  |  |          |  |  |  |
| 00800 · Management Fees             | 41,436                    | 41,333                      | 103              | 42,472                     | 1,139                                  | Includes 2.5% COL Increase per contract  |          |  |  |  |
| 00805 · Office Expense              | 8,000                     | 4,700                       | 3,300            | 5,000                      | 300                                    |  |          |  |  |  |
| 00811 · Social Committee            | 16,000                    | 9,000                       | 7,000            | 16,000                     | 7,000                                  |  |          |  |  |  |
| 00812 · Legal/Accounting            | 32,500                    | 34,094                      | (1,594)          | 20,000                     | (14,094)                               | 2019 included Hotwire expenses plus.   |          |  |  |  |
| 00813 · Newsletter                  | 1,500                     | -                           | 1,500            | 3,000                      | 3,000                                  |  |          |  |  |  |
| 00814 · Corp Annual Report Fee      | 62                        | 62                          | -                | 62                         | -                                      |  |          |  |  |  |
| 00830 · Taxes/Fees                  | 500                       | -                           | 500              | 500                        | 500                                    |  |          |  |  |  |

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|-------------------------------|---------------------------|-----------------------------|------------------|----------------------------|--|---|--|--|-----------|-----------|
| 00835 · Insurance             | 24,000                    | 26,000                      | (2,000)          | 33,000                     | 7,000                                  |   |  |  | 186       |           |
| 00836 · Hotwire Cable Expense | -                         | -                           | -                | 171,351.6                  | 171,352                                | 8 months of Hotwire expenses @\$92/month spread across 12 months. Two months to Hotwire @\$92 plus 6 months of taxes. Plus 2 months @\$83.99 to consultants |  |  | 312,480   | 171,351.6 |
| 00837 · Hotwire Cable Reserve | -                         | -                           | -                | 141,128                    | 141,128                                | Negotiated 4 months of Reserve @ \$83.99 to provide cushion for foreclosures and late HOA payments to assist in financial stability for development         |  |  | 141,128.4 |           |
| 00855 · Contingency           | 5,000                     | -                           | 5,000            | -                          | -                                      |   |  |  |           |           |
| 00856 · Master Plan Bank Loan | 261,941                   | 262,718                     | (777)            | 262,718                    | -                                      |   |  |  |           |           |
| 00860 · Bad Debt              | 3,000                     | -                           | 3,000            | -                          | -                                      |   |  |  |           |           |
| 00902 · General Reserve       | 93,620                    | 93,620                      | -                | 96,077                     | 2,457                                  | Audit suggested \$166,000, reduced by \$70,153 2019 surplus approved by VOM to move to reserves.  |  |  |           |           |
| <b>Total Expense</b>          | <b>1,122,959</b>          | <b>1,071,123</b>            | <b>51,836</b>    | <b>1,411,154</b>           | <b>340,030</b>                         | 839.97  |  |  |           |           |
| <b>Net Ordinary Income</b>    | <b>-</b>                  | <b>70,153</b>               | <b>(70,153)</b>  | <b>-</b>                   | <b>(51,836)</b>                        |   |  |  |           |           |

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|--|---------------------------|-----------------------------|------------------|----------------------------|--|---|--|--|--|--|
| <b>SUPPLEMENTAL ACCOUNT DETAIL</b>       |                           |                             |                  |                            |  |   |  |  |  |  |
| <b>* 00600 - General Maintenance:</b>    |                           |                             |                  |                            |  |   |  |  |  |  |
| Common Area Sidewalk Cleaning/Rep        | 7,000                     | -                           | 7,000            | 14,000                     | 14,000                                 | Repair/Clean common area walks  |  |  |  |  |
| Frog Removal                             | 6,000                     | 2,000                       | 4,000            | 4,000                      | 2,000                                  |   |  |  |  |  |
| Contract Labor (Gen Cleanup)             | 6,000                     | 5,688                       | 312              | 6,000                      | 312                                    |   |  |  |  |  |
| Miscellaneous R&M                        | 1,500                     | 35,952                      | (34,452)         | 1,500                      | (34,452)                               | Sidewalk expense 2019, moved Sidewalk repairs for 2020 to sidewalk account. Repair Chain-link Fence on Vanderbilt road, GH Roof Repairs, Pest Control |  |  |  |  |
| <b>00600 - General Maintenance Total</b> | <b>20,500</b>             | <b>43,640</b>               | <b>(23,140)</b>  | <b>25,500</b>              | <b>(18,140)</b>                        |   |  |  |  |  |
| <b>** 00626 - Amenity Maintenance:</b>   |                           |                             |                  |                            |  |   |  |  |  |  |
| Facilities Director & Assistant          | \$101,500                 | 59,526                      | 41,974           | 74360                      | 14,834                                 | Full Year expense for Facility director and assistant facility person   |  |  |  |  |
| Fitness Classes                          | 13,000                    | 9,675                       | 3,325            | 13,000                     | 3,325                                  |   |  |  |  |  |
| Janitorial (Contract Labor)              | 33,681                    | 36,907                      | (3,226)          | 45,000                     | 8,093                                  |   |  |  |  |  |
| Window Cleaning                          | 2,060                     | 2,080                       | (20)             | 2,060                      | (20)                                   |   |  |  |  |  |
| Pressure Washing                         | 2,500                     | 2,500                       | -                | 2,500                      | -                                      |   |  |  |  |  |
| Water - Fitness Center                   | 1,000                     | 1,322                       | (322)            | 1,300                      | (22)                                   |   |  |  |  |  |
| Website Maintenance                      | 3,090                     | 1,240                       | 1,850            | 2,000                      | 760                                    |   |  |  |  |  |
| General R&M                              | 16,480                    | 34,057                      | (17,577)         | 20,000                     | (14,057)                               | Includes Holiday Décor, Fire Alarm Insp, Electric & Plumbing Repairs  |  |  |  |  |
| <b>00626 - Amenity Maintenance Total</b> | <b>173,311</b>            | <b>147,308</b>              | <b>26,004</b>    | <b>160,220</b>             | <b>12,913</b>                          |   |  |  |  |  |
| <b>***00700 - Grounds Maintenance</b>    |                           |                             |                  |                            |  |   |  |  |  |  |
| Landscape Maintenance Contract           | 59,946                    | 59,655                      | 291              | 61,445                     | 1,790                                  | Assumes COL Increase 2.5%   |  |  |  |  |
| Tree Trimming                            | 9,000                     | 19,330                      | (10,330)         | 9,000                      | (10,330)                               | Trimmed all trees. Typically trim part every three years.   |  |  |  |  |
| Tree Removal                             | 1,500                     | -                           | 1,500            | -                          | -                                      |   |  |  |  |  |
| Plant Replacement                        | 6,000                     | 5,034                       | 966              | 7,000                      | 1,966                                  |   |  |  |  |  |
| Flowers                                  | 8,500                     | 2,960                       | 5,540            | 7,000                      | 4,040                                  |   |  |  |  |  |
| Mulch                                    | 16,000                    | 17,150                      | (1,150)          | 17,000                     | (150)                                  |   |  |  |  |  |
| Sprinklers                               | 3,000                     | 3,090                       | (90)             | 3,000                      | (90)                                   |   |  |  |  |  |
| Lighting                                 | 1,500                     | 3,076                       | (1,576)          | 2,500                      | (576)                                  |   |  |  |  |  |
| Other/Misc                               | 4,000                     | -                           | 4,000            | -                          | -                                      |   |  |  |  |  |
| <b>00700 - Grounds Maintenance Total</b> | <b>109,446</b>            | <b>110,295</b>              | <b>(849)</b>     | <b>106,945</b>             | <b>(3,350)</b>                         |   |  |  |  |  |