

GILBERT RANCH HOMEOWNERS' ASSOCIATION

BUDGET NARRATIVE

LANDSCAPE MAINTENANCE

Landscape Contract: Weekly maintenance of all common areas including trimming, mowing, irrigation system check, trash pick up, etc.

Drywells: Annual inspection and cleaning if necessary.

Other Maintenance: Storm clean up and erosion repair.

Plant/Tree: Plant and tree replacement as needed.

Pump: Quarterly maintenance to irrigation pumps.

Rye Seed: Winter seed in common areas.

Self Help: Yard clean-up as approved by Board and back charged to the homeowner.

Sprinkler Repairs: Repairs and supplies for the irrigation system.

Supplies: Tree stakes, guards and other supplies.

Weed Control: Weed control in unseeded turf areas.

GENERAL MAINTENANCE

Exterminating: Common area treatment of gophers, bees, etc.

General: Signs, replacement parts, monthly and annual meeting room rental.

Lighting: Repairs to common area lighting.

Maintenance & Repairs: Minor repairs and maintenance in common areas.

Playground: Regular playground inspection and minor repairs.

Vandalism: Repair costs due to vandalism of common areas.

UTILITIES

Electric: Power to irrigation time clocks, pumps and lighting.

Water: Irrigation for common areas.

ADMINISTRATIVE

Accounting & Audit: As a corporation, the association has its financial records independently audited each year. Also includes federal and state tax return preparation.

Accounts Receivable Fees: Lien, small claims and other fees incurred to collect past due assessments. These are charged back to the delinquent homeowner.

Insurance: Property and liability coverage on common areas, Directors and Officers coverage and a Fidelity Bond.

Management: Professional management of association business including administration of Board policies, record keeping, financial services, bid solicitation and regular on-site inspections.

Office & Printing: Preparation of correspondence including homeowner letters, budget packages, semi-annual newsletters and meeting notices.

Postage: Mailing of correspondence including homeowner letters, budget packages, newsletters, meeting notices, etc.

Professional/Legal: Legal, engineering and other professional services.

Social Committee: Activities sponsored by the Association for the benefit of members.

Taxes: Annual Corporation Commission fee, property tax on common area tracts and tax on interest income.

Website Administration: Cost to have website maintained.

RESERVES

Contingency: Cushion for financial shortfalls which may arise from unexpected expenses or late payment of assessments.

Landscape Renovation: Eventual top dressing of granite, major repairs to the irrigation system and major tree trimming and removal.

Painting/Structural: Major repairs to and maintenance of common area walls, sidewalks, lighting and entry monuments.

Professional Services: Legal expenses relating to non-payment of assessments, consultation and CC&R violations which are not covered in the operating budget.

Pumps: Major repairs to and replacement of irrigation pumps.

Recreation Equipment: Repair and replace of playground equipment.