

11/10/08	LAFAYETTE VILLAGE COMMUNITY ASSOCIATION		
	Approved Budget - 1/1/09 - 12/31/09		
		FY09	FY08
		Approved	Approved
Acct		Budget	Budget
	Income:		
4010	Assessments - Single Family \$167/qtr	14,028	364,392
	Assessments - Townhomes \$328/qtr	385,728	
4030	Late Charges	1,560	1,000
4035	Legal Fees from Owners	0	1,000
4050	Pool Passes	675	100
4060	Interest	3,000	4,000
4075	Tree Planting Donations	0	0
4090	Miscellaneous	<u>200</u>	<u>200</u>
4596	Total Income	405,191	370,692
	Operating Expenses:		
4610	Administrative	64,065	69,500
4620	Pool	40,090	36,550
4630	Maintenance	215,633	211,244
4635	Utility	3,400	2,900
4640	Fixed	7,000	6,400
4650	Replacement Reserves	<u>75,003</u>	<u>44,098</u>
4643	Total Operating Expenses	405,191	370,692
4710	Net Surplus (Deficit)	0	0
	Administrative Expenses:		
5020	Office	5,300	0
5035	Dues and Subscriptions	0	0
5040	Legal	5,000	8,000
5045	Audit & Accounting	3,225	1,500
5050	Management Fees	37,440	36,000
5051	Management Reimbursement	0	3,000
5055	Bad Debt	7,500	0
5064	Halloween Parade	0	70
5065	Spring Event for Children	0	70

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5066	Spring Yard Sale	0		90
5067	Summer BBQ/Picnic	0		150
5068	Fall Yard Sale	0		90
5069	Community Events	850		330
5070	Communications (Website/Newsletter)	1,800		1,500
5080	Printing	0		5,500
5093	Meetings Support	2,750		2,600
5115	Website	0		400
5120	Reserve Study	0		10,000
new	HOT Lanes Sound Study	0		0
5125	Neighborhood Watch	<u>200</u>		<u>200</u>
	Total Administrative Expenses	64,065		69,500
	Swimming Pool Expenses:			
5510	Pool Contract	28,965		27,850
5540	Pool Telephone	375		350
5550	Pool Electricity	4,000		2,800
5560	Pool Water	1,450		1,300
5570	Pool Gas	300		250
5580	Pool Supplies	2,000		1,000
5583	Pool Maintenance	<u>3,000</u>		<u>3,000</u>
5696	Total Swimming Pool Expense	40,090		36,550
	Maintenance Expenses:			
6045	Grounds Upkeep Contract	70,680		70,679
6047	Grounds Maintenance/Repair	20,400		3,000
6050	Landscaping Maintenance/Repair	0		2,663
6052	Erosion Control/Retaining Wall	0		13,000
6055	Tree Removal	22,000		22,000
6056	Emergency Tree Fund	5,000		5,000
6058	Tot Lot Maintenance	0		100
6065	General Maintenance	603		0
new	Milky Spore Application	2,200		0
6075	Trash and Recycling Service	70,000		64,802
6095	Snow Removal & Supplies	5,000		5,000
6160	Mailboxes (4)	5,000		5,000
6170	Lights (4)	<u>14,750</u>		<u>20,000</u>
6296	Total Maintenance Expense	215,633		211,244

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	Utility Expenses:			
6330	Electricity for Street Lights	<u>3,400</u>		<u>2,900</u>
6336	Total Utility Expense	3,400		2,900
	Fixed Expenses:			
6340	Insurance	4,300		4,700
6365	Income Taxes	<u>2,700</u>		<u>1,700</u>
6596	Total Fixed Expenses	7,000		6,400
6900-0001	Replacement Reserve	75,003		29,098
6900-0100	Operating Reserve	<u>0</u>		<u>15,000</u>
6920-0000	Total Replacement Reserve	75,003		44,098

**LAFAYETTE VILLAGE COMMUNITY ASSOCIATION  
2009 BUDGET NARRATIVE**

**INCOME**

- 4010 Assessments  
Total assessment income from unit owners for 2009.
- 4030 Late Charges  
Penalties assessed for late payment of quarterly assessments, based on actual charges for third quarter of 2008: 39 per quarter x \$10 x 4 quarters.
- 4035 Legal Fees from Owners  
This category has been eliminated. Reimbursement of legal charges will offset the expense account to provide a more accurate accounting of actual legal fees incurred by the Association.
- 4050 Pool Passes  
Payment for late submission of applications and for additional passes. The 2009 budget is based on actual 2008 income.
- 4060 Interest  
Interest earned on investments.
- 4090 Miscellaneous  
Income generated from sources other than those identified above.

**EXPENSES**

- 5020 Office  
This category replaces former accounts 5051 and 5080, and includes funds for printing letterhead, assessment coupons, special items, etc. and mailing of all required material. Also includes funds for annual filing fees with the Common Interest Community Board and other governmental agencies, and miscellaneous administrative expenses not included in other categories.

- 5040 Legal  
Legal expenses of the association for opinion letters, lawsuits, contract review, Declaration and By-Laws review, collection matters, etc.
- 5045 Audit and Accounting  
Cost for the annual audit of the association books and records and the preparation of State and Federal Income Tax returns.
- 5050 Management Fee  
Full service property management of the association, with a January contract renewal. A 4% increase is budgeted in accordance with the contract.
- 5055 Bad Debt  
Allowance for uncollectible assessments due to bankruptcy or foreclosure, as recommended by your auditor.
- 5069 Community Events  
Expense for community sponsored activities such as a Halloween parade, yard sales, picnics, etc. This category replaces former accounts 5064 to 5069.
- 5070 Communications (Website and Newsletter)  
Expense for maintaining the LVCA website and printing/distributing the community newsletter. This category combines former accounts 5070 and 5115.
- 5093 Meetings Support  
Previously titled, "Recording Secretary," this category also includes room rentals when necessary as well as annual and semi-annual meeting expenses.
- 5125 Neighborhood Watch  
Expenses associated with the Neighborhood Watch program, including signs.
- 5510 Pool Contract  
Expense for the management of the pool and facilities by a professional contractor, from Memorial Day weekend until Labor Day weekend. This budget assumes a 4% increase in contract cost.
- 5540 Pool Telephone  
Expense for a telephone at the pool as required by the Health Department.
- 5550 Pool Electricity  
Expense to maintain electricity at the pool to power motors and pumps, and to light the poolhouse.

- 5560 Pool Water  
Expense to keep the pool filled and provide water for sinks and showers.
- 5570 Pool Gas  
Expense to heat water in the pool house.
- 5580 Pool Supplies  
All supplies necessary to open and maintain pool operations that are not included in the pool management contract.
- 5583 Pool Maintenance  
All repairs (non-reserve items) necessary to open and maintain pool operations.
- 6045 Grounds Upkeep Contract  
Contract for full service grounds maintenance which includes grass cutting, edging, shrub pruning, fertilization, mulching, etc. No increase in 2009 per the Grounds Committee.
- 6047 Grounds Maintenance Repair  
This category combines/replaces former accounts 6047, 6050, 6052, and 6058. Annual allocation recommended by the Grounds Committee, less \$4,200 so we could also fund the milky spore application and the professional tree inventory in this budget.
- 6055 Tree Removal  
Removal of dead or diseased trees from common areas.
- 6056 Emergency Tree Fund  
Removal or replacement of trees damaged by storms or other emergencies.
- 6065 General Maintenance  
Small repairs not covered in other categories.
- New Milky Spore Application  
One time community wide application of milky spore to eliminate Japanese beetle grubs.
- 6075 Trash and Recycling Services  
Contract for trash removal and recycling services. Annual allocation per the Grounds Committee.

- 6095 Snow Removal Service  
Plowing/sanding of association owned streets and parking areas.
- 6160 Mailboxes  
Purchase of four new mailboxes from the United States Postal Service. Expense based on 2008 cost. (Average cost \$700 x 4 = \$2,800). Also includes \$2,200 for washing and/or painting existing mailboxes.
- 6170 Lights  
Installation of four additional light posts by Dominion Power. Expense based on 2008 cost.
- 6330 Electric  
For common area electric usage for street/parking lot pole lights.
- 6340 Insurance  
Master insurance policies, based on current cost with slight increase upon renewal in 2009.
- 6365 Income Taxes  
Estimated Federal and State income taxes to be paid by the association on interest income earned.

REPLACEMENT RESERVES

The Association had a reserve study conducted in 2008 and the contribution to reserves is based on the updated study.

In accordance with the 2008 study, the following repairs and expenditures are scheduled for 2009. Please note that actual costs will be determined through the competitive bidding process and may differ from estimated costs.

• Concrete Sidewalk (6%)	\$13,425
• Concrete Pool Deck (20%)	11,970
• Asphalt Seal Coat – Yorktown Village	3,937
• Asphalt Seal Coat – Mt. Airey	3,412
• Asphalt Seal Coat – Butterfield	5,458
• Asphalt Seal Coat – Merrimac	544
• Pool furniture (repair/replace)	1,950
• Volleyball Court – base asphalt	9,135
• Volleyball poles	<u>1,350</u>
Total Reserve Expenditures 2009	\$51,181