

# Lafayette Village Community Association

## 2021 BUDGET (BOARD ADOPTED)

The Finance Committee has prepared and the Board of Directors has recommended the following budget for the fiscal year starting January 1, 2021. This budget assumes that HOA fees will remain the same from 2020, \$338 per quarter for town homes and \$172 per quarter for detached homes on Merrimac Trail. *This budget includes a Replacement Reserve Fund contribution of \$84,338, which is less than the recommendation in our reserve study.* The reduction of about \$11,000 in 2021 contributions is more than offset by the revised budgeted contribution of \$121,900 in 2020, which exceeds the recommended contribution by \$28,500.

Given the uniqueness of 2020, the percentages provided in this budget refer to the variance between the *original* 2020 budget and the 2021 budget.

LINE ITEM	2019 Actuals	2020 YTD Aug 31	2020 Budget	Revised 2020 Budget (Approved 09-24-20)	2021 FINAL BUDGET			
					Budget Amount	% increase	Difference	
<b>Revenue</b>								
Single Family Assessments	\$ 14,448	\$ 10,836	\$ 14,448	\$ 14,448	\$ 14,448	0.0%	\$ -	
Townhome Assessments	\$ 397,488	\$ 298,116	\$ 397,488	\$ 397,488	\$ 397,488	0.0%	\$ -	
Late Fees	\$ 1,075	\$ 313	\$ 500	\$ 500	\$ 500	0.0%	\$ -	
Interest-Reserves	\$ 14,386	\$ 9,359	\$ 11,000	\$ 13,000	\$ 9,500	-13.6%	\$ (1,500)	
Legal Fee Reimbursements	\$ -	\$ 975	\$ 500	\$ 975	\$ 500	n/a	\$ -	
Miscellaneous Income	\$ 305	\$ -	\$ 300	\$ -	\$ 300	0.0%	\$ -	
Garden Plot Income	\$ 631	\$ 700	\$ 700	\$ 700	\$ 700	0.0%	\$ -	
<b>Total Revenue</b>	<b>\$ 428,333</b>	<b>\$ 320,300</b>	<b>\$ 424,936</b>	<b>\$ 427,111</b>	<b>\$ 423,436</b>	<b>-0.4%</b>	<b>\$ (1,500)</b>	
<b>Administrative Expenses</b>								
Miscellaneous Administrative	\$ 2,205	\$ 803	\$ 2,500	\$ 2,500	\$ 2,500	0.0%	\$ -	
Community Events	\$ 1,719	\$ 313	\$ 1,500	\$ 313	\$ 1,500	0.0%	\$ -	
Management Fees	\$ 50,295	\$ 31,000	\$ 46,500	\$ 46,500	\$ 47,895	3.0%	\$ 1,395	
Website/Newsletter	\$ 2,120	\$ 532	\$ 2,100	\$ 1,700	\$ 2,100	0.0%	\$ -	
Legal Fees	\$ 7,136	\$ 5,265	\$ 6,000	\$ 7,000	\$ 7,000	16.7%	\$ 1,000	
Audit/Tax Preparation	\$ 4,400	\$ 4,426	\$ 4,800	\$ 4,426	\$ 4,800	0.0%	\$ -	
Reserve Study/Professional Fees	\$ -	\$ -	\$ -	\$ -	\$ 3,500	n/a	\$ 3,500	
Bad Debts	\$ 2,463	\$ -	\$ 2,400	\$ -	\$ 2,400	0.0%	\$ -	
Neighborhood Watch	\$ -	\$ -	\$ -	\$ 200	\$ -	n/a	\$ -	
Meeting Support	\$ 1,760	\$ 1,070	\$ 2,000	\$ 1,800	\$ 2,000	0.0%	\$ -	
<b>Total Administrative Expenses</b>	<b>\$ 72,098</b>	<b>\$ 43,410</b>	<b>\$ 67,800</b>	<b>\$ 64,439</b>	<b>\$ 73,695</b>	<b>8.7%</b>	<b>\$ 5,895</b>	
<b>Contract &amp; Maintenance Expenses</b>								
Trash Removal (Contract)	\$ 55,361	\$ 38,991	\$ 58,200	\$ 58,486	\$ 59,656	2.5%	\$ 1,456	
Grounds Maintenance & Repair	\$ 20,386	\$ 1,979	\$ 22,000	\$ 22,000	\$ 22,000	0.0%	\$ -	
Landscaping Contract	\$ 73,641	\$ 49,140	\$ 73,709	\$ 73,709	\$ 74,938	1.7%	\$ 1,229	
Tree Maintenance	\$ 3,090	\$ 8,221	\$ 17,000	\$ 17,000	\$ 17,000	0.0%	\$ -	
Emergency Tree Fund	\$ -	\$ -	\$ 4,000	\$ -	\$ 4,000	0.0%	\$ -	
Snow Removal/Spring Sweep	\$ 14,848	\$ 500	\$ 17,000	\$ 10,000	\$ 10,000	-41.2%	\$ (7,000)	
Garden Expense	\$ 1,522	\$ 390	\$ 1,000	\$ 500	\$ 1,000	0.0%	\$ -	
Tot Lot Maintenance	\$ 780	\$ -	\$ 780	\$ 800	\$ 780	0.0%	\$ -	
General Maintenance	\$ 1,553	\$ 7,282	\$ 3,000	\$ 12,201	\$ 3,000	0.0%	\$ -	
<b>Total Contract &amp; Maintenance Expenses</b>	<b>\$ 171,182</b>	<b>\$ 106,502</b>	<b>\$ 196,689</b>	<b>\$ 194,696</b>	<b>\$ 192,374</b>	<b>-2.2%</b>	<b>\$ (4,315)</b>	

LINE ITEM	2019 Actuals	2020 YTD Aug 31	2020 Budget	Revised 2020 Budget (Approved 09-24-20)	2021 FINAL BUDGET			
					Budget Amount	% increase	Difference	
<b>Pool Expenses</b>								
Pool Contract	\$ 35,269	\$ 18,284	\$ 37,450	\$ 18,284	\$ 41,169	9.9%	\$ 3,719	
Pool Telephone	\$ 613	\$ 409	\$ 500	\$ 660	\$ 660	32.0%	\$ 160	
Pool Electricity	\$ 2,846	\$ 1,742	\$ 4,000	\$ 2,800	\$ 4,000	0.0%	\$ -	
Pool Water	\$ 3,270	\$ 1,828	\$ 3,100	\$ 2,500	\$ 3,500	12.9%	\$ 400	
Pool Gas	\$ 170	\$ 108	\$ 200	\$ 108	\$ 200	0.0%	\$ -	
Pool Supplies & Maintenance	\$ 6,901	\$ 4,493	\$ 6,000	\$ 4,689	\$ 6,000	0.0%	\$ -	
<b>Total Pool Expenses</b>	<b>\$ 49,068</b>	<b>\$ 26,863</b>	<b>\$ 51,250</b>	<b>\$ 29,041</b>	<b>\$ 55,529</b>	<b>8.3%</b>	<b>\$ 4,279</b>	
<b>Utility Expenses</b>								
Street Light Electricity	\$ 4,400	\$ 2,999	\$ 5,000	\$ 5,000	\$ 5,000	0.0%	\$ -	
<b>Total Utility Expenses</b>	<b>\$ 4,400</b>	<b>\$ 2,999</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>0.0%</b>	<b>\$ -</b>	
<b>Fixed Expenses</b>								
Taxes & Licenses	\$ 1,844	\$ 2,535	\$ 1,800	\$ 2,535	\$ 3,000	66.7%	\$ 1,200	
Insurance	\$ 9,500	\$ 6,343	\$ 8,913	\$ 9,500	\$ 9,500	6.6%	\$ 587	
<b>Total Fixed Expenses</b>	<b>\$ 11,344</b>	<b>\$ 8,878</b>	<b>\$ 10,713</b>	<b>\$ 12,035</b>	<b>\$ 12,500</b>	<b>16.7%</b>	<b>\$ 1,787</b>	
<b>Replacement Reserve Contributions</b>								
Replacement Reserve Contribution <sup>^</sup>	\$ 91,600	\$ 62,267	\$ 93,400	\$ 121,900	\$ 84,338	-9.7%	\$ (9,062)	
<b>Total Replacement Reserve Contributions</b>	<b>\$ 91,600</b>	<b>\$ 62,267</b>	<b>\$ 93,400</b>	<b>\$ 121,900</b>	<b>\$ 84,338.00</b>	<b>-9.7%</b>	<b>\$ (9,062)</b>	
<b>Total Operating Expenses</b>	<b>\$ 399,693</b>	<b>\$ 250,919</b>	<b>\$ 424,852</b>	<b>\$ 427,111</b>	<b>\$ 423,436</b>	<b>-0.3%</b>	<b>\$ 35,844</b>	
Transfer To Unappropriated Members Equity								
Transfer From Unappropriated Members Equity								
<b>Surplus / (Deficit)</b>	<b>\$ 28,641</b>	<b>\$ 69,381</b>	<b>\$ 84</b>	<b>\$ -</b>	<b>\$ -</b>			

<sup>^</sup> Additional funding in 2020 more than offsets an anticipated Reserve funding reduction in 2021.

LINE ITEM	2019 Actuals	2020 YTD Aug 31	2020 Budget	Revised 2020 Budget (Approved 09-24-20)	2021 FINAL BUDGET			
					Budget Amount	% increase	Difference	
<b>CAPITAL RESERVE BUDGET</b>								
<b>Reserve Fund Balance</b>								
<b>Reserve Fund Balance (Jan 1 of budget year)</b>	\$ 654,352		\$ 706,960	\$ 706,960	\$ 772,340			
<b>Planned Reserve Fund Projects (Per Study)</b>								
Property Site Elements								
Asphalt Rejuvenation	\$ 24,313							
Trash Cans				\$ 15,520				
Erosion Control			\$ 50,000	\$ 35,000	\$ 60,000			
Retaining Walls, consultant			\$ 40,000		\$ 2,500			
Basketball & Multipurpose Resurfacing			\$ 26,000		\$ 30,473			
Steel Fence					\$ 5,963			
Light Poles and Fixtures					\$ 25,000			
Playground			\$ 50,000					
Pool Elements								
Pool Resurface, Tile, Pump	\$ 38,489							
Pool Furniture	\$ 8,327		\$ 3,000					
Touchless Faucets, Soap and Towel Dispensers				\$ 6,000				
Pool Cover-Wading Pool					\$ 2,000			
<b>Total Planned Projects</b>	<b>\$ 71,129</b>		<b>\$ 169,000</b>	<b>\$ 56,520</b>	<b>\$ 125,935</b>			
<b>Annual Reserve Contribution (+\$28,500 in 2020)^</b>	\$ 123,737		\$ 93,400	\$ 121,900	\$ 84,338			
Reserve Study Requirement	\$ 416,563		\$ 436,075	\$ 436,075	\$ 416,563			
Surplus / (Deficit)	\$ 290,397		\$ 195,285	\$ 336,265	\$ 314,180			
<b>Reserve Fund Balance (Projected as of Dec. 31)</b>	<b>\$ 706,960</b>		<b>\$ 631,360</b>	<b>\$ 772,340</b>	<b>\$ 730,743</b>			
<p>^ Additional funding in 2020 more than offsets an anticipated Reserve funding reduction in 2021.</p> <p>The Replacement Reserve Fund is managed in accordance with the Reserve Study published October 11, 2016. The Study recommends annual contributions from the operating budget to sustain the infrastructure and capital property in the community. The projects outlined above are in line with recommended improvements and maintenance within the study, and the board has adopted this capital reserve budget as a part of the annual budget process. The Board will contract for an updated Reserve Study in 2021.</p>								