**Homeowners Association**

**2013-2014 Budget**

Approved By: **\_\_\_**Board of Directors**\_\_**

Date: **\_\_\_\_\_**February 1, 2013\_**\_\_\_\_\_\_\_**

*For the Fiscal Year*

**July 1, 2013**

*to*

**June 30, 2014**

*Prepared By*

***Management Co.***

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| **NOTICE**Various sections of the California Civil Code require disclosures pertaining to (1) the Status of the Reserve Funds, (2) the Association’s Delinquency Policy, (3) Homeowner’s Rights to Minutes, (4) Alternate Dispute Resolution, and (5) the Association’s Insurance coverage and possible effects of the coverage on homeowner liability. These notes are integral to the budget and are attachments thereto. Items 2 through 5 above are included in this document. Item 1 above is in a separate attachment, which should be attached to this document, as should be the budget itself. If any of these disclosures is missing you should contact your managing agent or Board of Directors. |

**INCOME**

**Assessments - Regular:** The Assessments are on an annual basis and have been allocated to the individual members in accordance with the provisions of the Governing Documents as more specifically set forth in Civil Code 1366. This budget requires a monthly assessment of $222.51 per home per month.

The above assessment does not include the costs associated with submetering for domestic water, which will be billed separately through the Association. The average cost per home per month for the submetered domestic water was estimated to be $40.91 plus a meter reading and maintenance fee of $4.95, although the actual cost will vary based upon usage. If the estimated costs for submetered domestic water were included in the budget, the assessment would be $268.37 per home per month.

Certain items in the budget are exempt from assessments if they have not been built or annexed to the association. Such exemptions could reduce the amount of the assessment in any given month. Assessments are due on the first day of each month and will be delinquent if received after the fifteenth (15th) day of the month. All amounts delinquent plus 10% of the delinquent installment or $10.00 whichever is greater, and interest at 12% per year on the outstanding balance commencing thirty (30) days from the due date shall be added to the regular assessment.

**Interest Revenues:** Reserve funds are invested in an interest bearing account. Interest revenues are allocated to the Reserve Fund rather than the Operating Fund to comply with Section 1365.5 of the California Civil Code.

**Late and Interest Charge:** This line item has not been budgeted.

We assume and report all interest income, including interest, which may be earned on the restricted reserve funds.

**ESTIMATES OF EXPENSES**

**Historical Costs**: There is currently no history of usage upon which to gauge estimates. The estimates used were based on service providers’ quotes and the experience of the managing agent.