

2021 DEER LAKE HOA BOARD APPROVED ANNUAL BUDGET
FOR THE PERIOD: JANUARY 1, 2021 - DECEMBER 31, 2021

| | 2020 BUDGET YEAR | 2020 YTD SEPT | 2020 PROJECTED YEAR RESULTS | 2020 PER QUARTER | 2021 BUDGET YEAR | 2021 PER QUARTER | 2021 PER UNIT |
|----------------------------------|------------------------|----------------------|-----------------------------------|------------------------|------------------------|------------------------|---------------------|
| INCOME | | | | | | | |
| BASE ASSESMENT 197 HOMES @ \$595 | \$ 468,860.00 | \$ 351,645.00 | \$ 468,860.00 | \$ 117,215.00 | \$ 472,012.00 | \$ 118,003.00 | \$ 599.00 |
| CABLE TV . FEE 163 HOMES @ \$198 | \$ 123,228.00 | \$ 92,421.00 | \$ 123,228.00 | \$ 30,807.00 | \$ 129,096.00 | \$ 32,274.00 | \$ 163.83 |
| SECURITY FEE 135 HOMES @ \$ 48 | \$ 31,296.00 | \$ 23,472.00 | \$ 31,296.00 | \$ 7,824.00 | \$ 25,920.00 | \$ 6,480.00 | \$ 32.89 |
| PRIOR YEAR CASH | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| COMBINED ASSESSMENT FEES | \$ 623,384.00 | \$ 467,538.00 | \$ 623,384.00 | \$ 155,846.00 | \$ 627,028.00 | \$ 156,757.00 | \$ 795.72 |
| GATE OPENER AND KEY FEES | \$ 200.00 | \$ 360.00 | \$ 500.00 | \$ 125.00 | \$ 400.00 | \$ 100.00 | \$ 0.51 |
| LATE FEE | \$ 1,200.00 | \$ 675.00 | \$ 800.00 | \$ 200.00 | \$ 1,400.00 | \$ 350.00 | \$ 1.78 |
| INTEREST - BANK | \$ 1,100.00 | \$ 275.79 | \$ 350.00 | \$ 87.50 | \$ 600.00 | \$ 150.00 | \$ 0.76 |
| INTEREST - OWNER | \$ - | \$ 137.12 | \$ 137.00 | \$ 34.25 | \$ - | \$ - | \$ - |
| LEGAL FEES - OWNERS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| OTHER INCOME | \$ 3,900.00 | \$ 1,250.00 | \$ 1,500.00 | \$ 375.00 | \$ 2,900.00 | \$ 725.00 | \$ 3.68 |
| TOTAL INCOME | \$ 629,784.00 | \$ 470,235.91 | \$ 626,671.00 | \$ 156,667.75 | \$ 632,328.00 | \$ 158,082.00 | \$ 802.45 |
| UTILITIES | | | | | | | |
| ELECTRIC | \$ 31,000.00 | \$ 19,573.76 | \$ 26,500.00 | \$ 6,625.00 | \$ 29,000.00 | \$ 7,250.00 | \$ 36.80 |
| WATER & SEWER | \$ 3,000.00 | \$ 2,174.45 | \$ 2,900.00 | \$ 725.00 | \$ 3,000.00 | \$ 750.00 | \$ 3.81 |
| TELEPHONE | \$ 707.50 | \$ 560.33 | \$ 750.00 | \$ 187.50 | \$ 800.00 | \$ 200.00 | \$ 1.02 |
| TOTAL UTILITES EXPENSE | \$ 34,707.50 | \$ 22,308.54 | \$ 30,150.00 | \$ 7,537.50 | \$ 32,800.00 | \$ 8,200.00 | \$ 41.62 |
| GROUNDS | | | | | | | |
| TREE TRIMMING | \$ 19,500.00 | \$ 18,573.95 | \$ 19,500.00 | \$ 4,875.00 | \$ 14,000.00 | \$ 3,500.00 | \$ 17.77 |
| PLANT/SOD REPLACEMENT | \$ 25,800.00 | \$ 17,366.29 | \$ 25,800.00 | \$ 6,450.00 | \$ 25,800.00 | \$ 6,450.00 | \$ 32.74 |
| IRRIGATION REPAIRS | \$ 19,500.00 | \$ 10,164.78 | \$ 16,000.00 | \$ 4,000.00 | \$ 18,000.00 | \$ 4,500.00 | \$ 22.84 |
| RUST REPELLENT SYSTEM | \$ 8,400.00 | \$ 6,300.00 | \$ 8,400.00 | \$ 2,100.00 | \$ 8,400.00 | \$ 2,100.00 | \$ 10.66 |
| POOL REPAIRS | \$ 5,750.00 | \$ 5,966.31 | \$ 8,000.00 | \$ 2,000.00 | \$ 5,750.00 | \$ 1,437.50 | \$ 7.30 |
| LAKE/FOUNTAIN MAINT. | \$ 5,000.00 | \$ 3,592.76 | \$ 4,500.00 | \$ 1,125.00 | \$ 5,000.00 | \$ 1,250.00 | \$ 6.35 |
| SECURITY SYSTEM | \$ 1,300.00 | \$ 1,790.65 | \$ 2,000.00 | \$ 500.00 | \$ 1,200.00 | \$ 300.00 | \$ 1.52 |
| GATE REPAIR | \$ 850.00 | \$ 3,066.41 | \$ 4,000.00 | \$ 1,000.00 | \$ 3,000.00 | \$ 750.00 | \$ 3.81 |
| TOTAL GROUNDS EXPENSE | \$ 86,100.00 | \$ 66,821.15 | \$ 88,200.00 | \$ 22,050.00 | \$ 81,150.00 | \$ 20,287.50 | \$ 102.98 |

| | 2020 BUDGET YEAR | 2020 YTD SEPT | 2020 PROJECTED YEAR RESULTS | 2020 PER QUARTER | 2021 BUDGET YEAR | 2021 PER QUARTER | 2021 PER UNIT |
|--|------------------------|----------------------|-----------------------------------|------------------------|------------------------|------------------------|---------------------|
| BUILDINGS | | | | | | | |
| BUILDING MAINTENANCE | \$ 15,500.00 | \$ 12,074.05 | \$ 16,000.00 | \$ 4,000.00 | \$ 15,500.00 | \$ 3,875.00 | \$ 19.67 |
| CLUBHOUSE ACTIVITY | \$ 6,000.00 | \$ 578.71 | \$ 1,500.00 | \$ 375.00 | \$ 4,500.00 | \$ 1,125.00 | \$ 5.71 |
| TOTAL BUILDINGS EXPENSE | \$ 21,500.00 | \$ 12,652.76 | \$ 17,500.00 | \$ 4,375.00 | \$ 20,000.00 | \$ 5,000.00 | \$ 25.38 |
| CONTRACTS | | | | | | | |
| SECURITY MONITORING | \$ 31,260.00 | \$ 23,562.27 | \$ 31,260.00 | \$ 7,815.00 | \$ 25,920.00 | \$ 6,480.00 | \$ 32.89 |
| GROUNDS | \$ 223,219.16 | \$ 166,027.95 | \$ 223,219.16 | \$ 55,804.79 | \$ 230,300.08 | \$ 57,575.02 | \$ 292.26 |
| IRRIG PREVENTATIVE MAINT. | \$ 2,180.00 | \$ 2,850.00 | \$ 2,850.00 | \$ 712.50 | \$ 2,850.00 | \$ 712.50 | \$ 3.62 |
| POOL | \$ 7,600.00 | \$ 5,535.00 | \$ 7,400.00 | \$ 1,850.00 | \$ 8,000.00 | \$ 2,000.00 | \$ 10.15 |
| CABLE CONTRACT | \$ 123,228.00 | \$ 92,118.69 | \$ 123,485.00 | \$ 30,871.25 | \$ 129,096.00 | \$ 32,274.00 | \$ 163.83 |
| PEST CONTROL CLUBHOUSE | \$ 330.00 | \$ 228.00 | \$ 342.00 | \$ 85.50 | \$ 342.00 | \$ 85.50 | \$ 0.43 |
| TOTAL CONTRACT EXPENSE | \$ 387,817.16 | \$ 290,321.91 | \$ 388,556.16 | \$ 97,139.04 | \$ 396,508.08 | \$ 99,127.02 | \$ 503.18 |
| INSURANCE FEES & TAXES | | | | | | | |
| PACKAGE INSURANCE | \$ 9,769.50 | \$ 7,301.27 | \$ 9,750.00 | \$ 2,437.50 | \$ 10,200.00 | \$ 2,550.00 | \$ 12.94 |
| CORPORATE ANNUAL REPORT | \$ 61.84 | \$ 61.25 | \$ 61.25 | \$ 15.31 | \$ 96.59 | \$ 24.15 | \$ 0.12 |
| TAXES/LICENSES - FEDERAL & STATE | \$ 425.00 | \$ 375.00 | \$ 375.00 | \$ 93.75 | \$ 423.00 | \$ 105.75 | \$ 0.54 |
| TOTAL INSURANCE, TAXES & FEES | \$ 10,256.34 | \$ 7,737.52 | \$ 10,186.25 | \$ 2,546.56 | \$ 10,719.59 | \$ 2,679.90 | \$ 13.60 |
| ADMINISTRATION | | | | | | | |
| LEGAL/ACCOUNTING EXPENSE | \$ 1,200.00 | \$ 1,130.00 | \$ 2,000.00 | \$ 500.00 | \$ 2,000.00 | \$ 500.00 | \$ 2.54 |
| MANAGEMENT FEE | \$ 23,640.00 | \$ 17,730.00 | \$ 23,640.00 | \$ 5,910.00 | \$ 23,640.00 | \$ 5,910.00 | \$ 30.00 |
| OFFICE EXPENSE | \$ 2,000.00 | \$ 1,629.25 | \$ 2,000.00 | \$ 500.00 | \$ 2,000.00 | \$ 500.00 | \$ 2.54 |
| WEBSITE MANAGEMENT | \$ 225.00 | \$ 203.37 | \$ 203.37 | \$ 50.84 | \$ 207.33 | \$ 51.83 | \$ 0.26 |
| UNINSURED STORM LOSS | \$ 7,000.00 | \$ - | \$ - | \$ - | \$ 7,000.00 | \$ 1,750.00 | \$ 8.88 |
| TRANSFER TO RESERVES | \$ 48,246.00 | \$ 36,184.50 | \$ 48,246.00 | \$ 12,061.50 | \$ 49,211.00 | \$ 12,302.75 | \$ 62.45 |
| BAD DEBT | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MASTER POA ASSN ASSESSMENT | \$ 7,092.00 | \$ 5,319.00 | \$ 7,092.00 | \$ 1,773.00 | \$ 7,092.00 | \$ 1,773.00 | \$ 9.00 |
| TOTAL ADMINISTRATION EXPENSE | \$ 89,403.00 | \$ 62,196.12 | \$ 83,181.37 | \$ 20,795.34 | \$ 91,150.33 | \$ 21,014.58 | \$ 106.67 |
| TOTAL EXPENSES | \$ 629,784.00 | \$ 462,038.00 | \$ 617,773.78 | \$ 154,443.45 | \$ 632,328.00 | \$ 156,309.00 | \$ 793.45 |
| UNDER BUDGET/ (OVER BUDGET) | \$ - | \$ 8,197.91 | \$ 8,897.22 | \$ 2,224.30 | \$ - | \$ - | \$ - |

| | 2020 | 2021 |
|---------------------------------------|-----------------|-----------------|
| BASE HOA ASSESSMENT PER QUARTER | \$595.00 | \$ 599.00 |
| ADD CABLE TV PER QUARTER | \$189.00 | \$198.00 |
| ADD SECURITY MONITORING PER QTR | \$48.00 | \$48.00 |
| TOTAL QTLY ASSESSMENT PER HOME | \$832.00 | \$845.00 |

| | 2020 | 2021 |
|--|----------|----------|
| BASE HOA QTLY ASSESSMENT PER HOME HOMES WITHOUT TV CABLE/SECURITY | \$595.00 | \$599.00 |

DEER LAKE HOMEOWNERS ASSOC. INC
 SCHEDULE OF ANNUAL RESERVE FUNDING CONTRIBUTION AMOUNTS

FOR BUDGET YEAR: JANUARY 1, 2021 - DECEMBER 31, 2021

(BASED UPON: GAB ROBINS RESERVE STUDY - CASH FLOW ANALYSIS METHOD - STUDY COMPLETED 2012 AND UPDATED 2018)

| <u>CATEGORY/COMPONENT</u> | <u>Estimated Useful Life Years</u> | <u>Estimated Remaining Life Years</u> | <u>Year End 12/31/20 Projected Reserves</u> | <u>2021 Current Cost Replacement</u> | <u>Future Cost Replacement</u> | <u>2021 Reserve Contribution</u> | <u>Actual 2019 Year End Balance</u> |
|------------------------------------|------------------------------------|---------------------------------------|---|--------------------------------------|--------------------------------|----------------------------------|-------------------------------------|
| **CLUBHOUSE INTERIORS | 25 | 15 | \$ 15,761 | \$ 134,850 | \$ 141,136 | \$ 8,358 | \$ 18,153 |
| **PAINTING & WATERPROOFING | 7 | 1 | \$ 10,157 | \$ 12,748 | \$ 13,724 | \$ 3,567 | \$ 8,957 |
| **PAVEMENT | 17 | 5 | \$ 155,008 | \$ 209,168 | \$ 224,150 | \$ 13,661 | \$ 154,453 |
| **RECREATIONAL AMENITIES | 30 | 12 | \$ 25,734 | \$ 156,867 | \$ 169,980 | \$ 12,021 | \$ 17,535 |
| **ROOFING | 30 | 5 | \$ 72,450 | \$ 73,521 | \$ 88,823 | \$ 3,275 | \$ 70,412 |
| **SITE IMPROVEMENTS | 27 | 17 | \$ 8,873 | \$ 143,762 | \$ 150,473 | \$ 8,329 | \$ (13,358) |
| **TOTAL ASSIGNED RESERVES | | | \$ 287,983 | \$ 730,916 | \$ 788,286 | \$ 49,211 | \$ 256,151 |
| CONTINGENCY CAPITAL RESERVES | | | \$ 7,338 | | | | \$ 7,338 |
| TOTAL ALL RESERVES ACCOUNTS | | | \$ 295,321 | | | | \$ 263,489 |

CASH FLOW METHOD PARAMETERS**

1. ESTIMATED CONSTRUCTION COST WILL INCREASE AT APPROXIMATELY 2.0% ANNUALLY
2. RATE OF RETURN ON FUNDS INVESTED WILL AVERAGE 1% ANNUALLY
3. THE ANNUAL RESERVE CONTRIBUTION AMOUNT WILL INCREASE BY 2.0% ANNUALLY