

Ravens Crest East at Princeton Meadows Condominium Association, Inc.

**2004 Budget Account Details**

Below are explanations on what each account is used for during the course of the year. There have been some accounts eliminated or combined. And some new accounts have been created to reflect more detail in this years budget planning process.

**Operating Income**

- 1) **Association Fees:** \$1,339,920  
320 one bedroom units @ \$171 per month  
292 two bedroom units @ \$195 per month
- 2) **Late Fee Income:** \$9,000  
A \$15 late fee is charged per month for past due accounts
- 3) **Legal Fee Income:** \$10,000  
Delinquent unit owners must pay any legal expenses that the Association incurs relating to collections on their delinquent account.
- 4) **Fine Income:** \$5,000  
Fines are levied, when the unit owner does not comply with the Association regulations and Bylaws. Examples: Failure to have an annual Chimney inspection done, dryer duct cleanings, leaving trash outside the door, etc
- 5) **NSF Charges:** \$200  
(Non-Sufficient Funds) Fees charged when checks bounce
- 6) **Administrative Fees-leases:** \$6,000  
\$100 fee is paid every time there is a tenant or lease change. Lease renewals incur no charge if the tenant is the same.
- 7) **Other Income-**\$1,000  
Reimbursements for screens, photocopies, etc.
- 10) **Operating Interest:** \$35  
Interest earned on our operating account.
- 15) **Municipal Service Rebate:** \$7,500  
Plainsboro Township reimburses us for snow plowing expenses and street lighting.
- 16) **Initial Capital Contribution:** \$48,600  
\$300 is collected from the purchaser at the time of closing. This will probably increase to \$750. This fee is only paid once by new unit owners at time of move in, **existing owners are not charged this fee.**

**Operating Expenses**

**• General and Administrative**

- 17) **Operating Loss from 2002 and projected loss from 2003:** \$45,000  
\$17,000 from 2002 was never budgeted in 2003 and thus will be incorporated in the 2004 budget. Additionally in 2003 it is projected we will have a \$73,000 loss. The sum of these two deficits is \$90,000. Since this would be a lot to absorb in one year, \$45,000 will be budgeted for 2004 and \$45,000 for 2005.
- 18) **Bad Debt Expense:** \$3,000  
Uncollectible maintenance fees after all legal options have been exhausted.
- 19) **Corporate Taxes:** \$3,000  
Federal Income taxes.

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- 20) **Insurance Deductible:** \$5,000  
Deductible if there was an insurance claim.
- 21) **Insurance:** \$133,000  
Includes terrorism, workers compensation and vehicle insurance
- 22) **Office Supplies:** \$14,000
- 23) **Office Equipment:** \$10,000  
Postage meter rental, computer purchases, etc.
- 24) **Copier Equipment:** \$6,000 – new account  
Cost of the lease on the copier and any necessary repairs
- 25) **Postage:** \$15,000
- 26) **Printing:** \$2,000
- 27) **Telephone, Internet, Website:** \$6,000  
Local, long distance, cable modem and website hosting
- 28) **Bank Fees:** \$1,000
- 29) **Dues & Subscriptions:** \$500  
Community Association Institute annual membership fee, etc.
- 30) **Social Committee/Events:** \$5,000 – new account  
Funding for summer BBQ's, annual holiday party, etc.
- 31) **Newsletter:** \$1,000
- 32) **Administrative Expense:** \$2,000  
Coupon books, interoffice postage, etc.
- 33) **Management Fees:** \$149,880  
Year one of a 3 year contract  
146,880 is the 2004 Management fee plus an additional \$3,000 one time setup fee.
- 34) **Legal Fees-Annual Retainer:** \$12,000
- 35) **Legal Fees Special:** \$55,000  
Fees for items outside of the retainer agreement. Includes funding set aside to possibly pursue legal options against prior management and it's affiliate companies.
- 36) **Legal Collections:** \$15,000  
Legal fees pertaining to collections work. Fees are charged to the unit owner who must reimburse the Association.
- 37) **Audit Fees:** \$8,000  
Expenses for conducting the annual audit. This years increase is due to the transition from one management company to another.
- 38) **Professional Fees:** \$25,000  
Engineering costs relating to repairs/maintenance of buildings and grounds.

• **Grounds and Landscaping**

- 39) **Landscaping Annual Contract:** \$97,300  
Year two of a 5 year contract
- 40) **Landscaping Improvements/Repairs:** \$9,000  
Planting and removal of flowers, bushes and trees. Additional improvements may come out of deferred maintenance.
- 41) **Sprinkler System Maintenance:** \$6,400  
Maintenance and repairs to sprinkler system.

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42) **Snow Removal:** \$75,000

Snow removal for roads, lots, walkways, breezeways; installation of snow stakes and spring street sweeping.

43) **Utilities:** \$25,000

Electricity for common area lighting, pool house/office and sprinkler systems

44) **Signage:** \$400

Miscellaneous signage, flags, replacement of breezeway notice holders

45) **Fire Hydrant Maintenance:** \$2,000

Performed by Elizabethtown Water.

• **Buildings**

46) **On Site Maintenance Contract:** \$101,000

Year 3 of a three year contract. Two full time workers from May 1 through October 31, One full time worker and one worker 2 days a week from January 1 through April 30 and from November 1 through December 31<sup>st</sup>.

47) **Refuse/Sanitation:** \$54,000

Year 3 of a three year contract. Garbage, recycling and bulk waste pickup.

48) **Buildings-General:** \$20,000

Materials and supplies as well as small repairs. Larger repairs to come out of deferred maintenance or capital reserves.

49) **Water:** \$100,000

Water for residents, pool and irrigation system.

50) **Electrical Repair:** \$5,000

Minor electrical repairs. Larger electrical repairs to come out of deferred maintenance.

51) **Plumbing Repair:** \$5,000

General common area pipe plumbing repairs.

52) **Fire & Safety:** \$100

Annual inspection of fire extinguishers (kitchen, pump room and grille)

53) **Light Bulbs:** \$5,000

Common area light bulb replacements

54) **Extermination-buildings:** \$5,000

Year 2 of a three year contract.

Extermination contract as well as other extermination costs relating to common elements.

• **Pool Expenses**

57) **Pool Repairs & Maintenance:** \$2,000

58) **Pool Management:** \$22,000

Year 2 of a three year contract.

• **Reserve Funding**

59) **Deferred Maintenance Funding:** \$132,000

Funding for minor exterior repairs or maintenance

60) **Deferred DCA Inspection:** \$2,500

Reserves for Department of Community Affairs (DCA) inspections that occur every 5 years.

61) **Capital Reserve Funding:** \$240,000

Reserve funding for large capital intensive projects such as roofs, siding, etc.

