

2017 Solivita Community Association, Inc. Budget Summary

Revenue

40-4010 – Assessments - The revenue is calculated on 4,256 closed homes as of December 31, 2016, (4181 closed as of August 31, 2016 with an anticipated 75 more in 2016) and 204 additional closings for 2017 at an average of \$158.00 per month. (This represents a \$7.50 per month increase over 2016 with \$5 per month of all units going directly to reserves)

40-4020 – Working Capital Fees – Working Capital Fee is estimated at 204 closings for the year as provided by AV Homes at \$316 each (two months of the average monthly dues)

40-4025 – Subsidy – This is the projected shortfall for the Association based on the projected revenue and expenses. The actual amounts may be higher or lower based on actuals.

40-4250 – Enhancement fee – This is based on 12 resales per month at \$250 each.

40-4610 – Transfers to Reserve Fund General– This is \$5 per month for all residential units; this is new as of 2017 due to Reserve Fund Analysis being completed

40-4620 - Transfers to Reserve Fund Courtyard – this is \$50 per month for 141 units to cover the yearly pressure cleaning expenses, the yearly termite program, and the 7 year repainting program

Administrative Expenses

50-5110 - Bad Debt Expense Assessment – Based on 18 homeowners @ \$158 per month

50-5115 – Bank Charges - Cost of deposit slips for HOA checking and any miscellaneous fees.

50-5120 – Property, Liability, Directors and Officers Insurance - Coverage for all of the Association's insurable risks has been purchased directly by the Association under a stand-alone policy.(Liability, property, directors and officers, and workers compensation)

50-5122 – Vehicle Insurance – Experience Director (80%)

50-5138 – Mileage Reimbursement – Reimbursement to the Community Manager and the Compliance Department for mileage while conducting Association business.

50-5152 – Computer/Printer/Software – Monthly computer maintenance, copier and maintenance contract (\$430 per month); includes support for software systems @ \$1000 per year; includes several battery backup devices at \$1500 in January

50-5153 – Office Supplies - Miscellaneous office supplies needed to operate the association office; toner expense is quarterly

50-5154 – Dues and Subscriptions- Storage Facility rental for Association records.

50-5155 – Postage and Copies – Charges for financial statements, mailings to residents, annual coupons in February as well as major mailings.

50-5156 – Audit Fees – Annual audit fees paid to an independent CPA; based on 2016 actuals; deposit in January, balance in June

50-5162 – Salaries & Wages – This line item is for Association staff: Compliance Department @ 100%(three full time employees); Community Manager @ 100%; Experience Director @ 80%; On-Site Accounting @ 25%; Administrative Assistant @ 100%; Membership Department @ 50%(two full time employees); Security and Safety Director @ 50% (shared with BellaLago Association); this is significantly higher than 2016 since the Association personnel has been properly allocated and is no longer being supported by the Avatar Club payroll

50-5163 – Payroll Taxes, Benefits & Processing Fees – Payroll taxes, Health insurance & processing fees are all included in this line item for those listed above at the corresponding percentages.

50-5164 – Training - Potential to expand existing personnel’s awareness of Florida law and interpretation; also customer relations training.

50-5165 – Taxes, License and Fees - This line item covers various licenses, taxes and fees of Association, which includes the corporate annual report required by law; *\$700 for the AutoVu camera licensing due in November*

50-5237 – Decorations – Christmas Decorations for Gate Houses and neighborhood signs; based on expenditure in 2015 and 2016; 6th Gate included

50-5245 – Website Expense – this represents half the monthly cost (\$450) of the Vertilinc maintenance, support and web master fees; the Solivita Club pays the other \$450 per month

50-5400 – Food and Beverage – This represents the cost of taking the Solivita Advisory Committee and the Landscape Advisory Committee to lunch in December for their yearlong commitment and hard work

Repairs & Maintenance

60-6010 – Common Area Maintenance – This line covers any repairs needed to fencing, walls, monument lighting, etc.: \$1000 per month for animal control (\$600 per month is under contract), \$400 per month for electrical supplies, \$600 per month for miscellaneous; 5 existing benches to be replaced at \$1000 each in February; 4 neighborhood sign repairs at \$ 1500 each in June; 3 new benches and concrete at \$3000 each in March (1 in Venezia, 1 in Terra Vista, and 1 on Village Drive); \$5000 sod replacement for hog damage in May and July each; cut in golf cart ramp at Alta Vista at \$3000 in April

60-6015 – Irrigation Repair - This line item covers the irrigation repair and maintenance of the pumps, improvements to shrub/tree irrigation, main lines and other irrigation items for the Community Property outside current landscape contract, Includes single family home control repairs & heads; this is for all material 2” and larger and includes Cypress Parkway (based on 10- 2” breaks/valves at \$280 each per month); 2 homeowner enhancement per month @ \$850 each; 1 main line supply line break per month @ \$3755; 2 controller clocks per month @ \$347 each; 2-3” home mainline per month @ \$1562 each; \$1927 miscellaneous per month (sod, mulch other repairs as a result of the irrigation repairs).

60-6040 – Landscape Replacement - This line item covers the estimated replacement costs of the trees, shrubs and sod in the Common areas, Cypress Parkway and Homes which are not covered under a warranty; minimal expenditure in off months.

60-6130 – Repairs and Maintenance – Asphalt/Walkways – This line item is for repairs (Grind) of damaged sidewalks within the community and replace damaged sidewalks within the community; includes minor repairs to asphalt, includes paver brick in roadways when necessary; includes root pruning causing sidewalk movement. This is based on 1000 sq. ft. per month @ \$7.50 per sq. ft. and 1000 lin. ft. of root trimming at \$1 per lin. Ft.

60-6150 – Tree Trimming/Removal – This line item is for preserve cutbacks outside the current contract, (The areas are: Monterey, Florence, Davinci Pass, Glendora Road S., along path at Hamrick, Solivita Blvd., along path to Venezia tunnel, Grand Canal, Portofino, and Villa Park: February, March, and April) and storm debris removal (\$2000 per month with \$3000 per month during the summer.

60-6160 – Hurricane Preparedness - Hurricane Preparedness funds Solivita CERT (Community Emergency Response Team) with supplies and operating costs.

60-6165 – Wetland Mitigation – For the annual cleaning of wetland areas of invasive species (3); one at \$20,000 in March and 2 at \$6,500 each in August and September.

60-6175 – Gates & Gate House Repair, Maintenance, & Supplies – Gate maintenance and any service calls during the year; includes mechanical repairs to both the gates and the buildings; includes water, paper, and other supplies; now includes 6 gates; includes \$4000 in October to renew the quarterly inspections/maintenance of the working components of the gate motors and arms

60-6180 – Repairs & Maintenance Signs – Repair & replacement for street signage & stop signs within Solivita; the \$600 per month would equate to 3 signs per month.

60-6190-Street Cleaning-leaf maintenance to keep storm drainage system clear of debris for October, November, and December when the trees defoliate

Contract Services

65-6520 – Cable Contract - This line item is based on \$29.12 per Home per month, exclusive of sales and franchise taxes (\$33.50 per unit per month) The monthly charge is for Basic Cable Service only, and each Owner has the right to obtain additional services and premium channels directly at the Owner's own expense.

65-6524- Flower Planting-quarterly contract for annual plantings in the common areas

65-6525 – Landscape Contract - This line item covers the landscape maintenance of all current closed Homes within Solivita. This number is subject to change due to increasing services as Homes are closed within Solivita. Landscape maintenance includes basic irrigation repairs, grass cut, weeding and hedging, ornamental spray as needed on all plants, bushes, hedges and turf, fertilizations per year for sod, bushes, hedges and palm trees at the Homes.(Total contract divided by 12 for a per month cost with an average of \$65 per closing added the month following the anticipated closing)

65-6526-Cypress Parkway- contracted maintenance for irrigation, plantings , trees, sod, and shrubs (Total contract divided by 12 for a per month cost)

65-6527 – Landscape Contract-Common Areas - This line item covers the landscape maintenance of the Community Common Property. This number is subject to change due to increasing services as portions of the Community Common Property are completed. Landscape maintenance includes grass cuts, Simple irrigation repairs weeding and hedging, ornamental spray as needed on all plants, bushes, hedges and turf, fertilizations per year for bushes, hedges and palm trees, and beds located within Common Areas; includes added common areas in 2016.(Total contract divided by 12 for a per month cost, excluding the quarterly annuals)

65-6528-Palm Tree Trimming- Two trimmings of 16’ clear CT palm trees: 1 in February/March at 9 to 3 and 1 in August/September for brown/dead frongs only; separate vendor

65-6529-Mulching- remulching and/or balancing for the common areas, homes, and Cypress Parkway; based on 13000 yards @ \$34 per yard; separate vendor

65-6530 – Power Washing Contract – Contracted service in 2017 to clean all sidewalks, Miami gutters, curbing & common area concrete two times a year.

65-6535 - Management Contract – Management contract with Evergreen Lifestyles Management to manage the Community Association’s affairs.

65-6550 – Security Patrol Service - The Off-Duty Sheriff’s Patrol Program allows the Association to schedule Polk County Sheriff’s Officers in the community to patrol and enforce posted traffic rules as well as perform other additional law enforcement responsibilities during scheduled dates and times. The cost to the Association is \$29.00 per man hour with a scheduled 4 hour minimum.

65-6551 – Security Contract – All-inclusive contract to include gatehouse security and roving patrol, gas, holiday pay, and vehicle costs for two vehicles; includes additional 6th gate manned 12 hours per day

65-6552 – Aquatic Maintenance Contract - This is for ponds and waterways not covered by the CDD. (Per bids)

Utilities

70-7040 – Electricity - This line item will cover electrical costs for entry neighborhood monument signage and irrigation pedestals and any arterial road street lighting that is not a part of a SLD; includes projected and new locations

70-7045 – Irrigation Water – DELETED

70-7050 – Telephone – Phone line costs for all the Association staff and internet charges for all Association personnel Ipad devices.

70-7100 – Gatehouse Utilities – Utility expense at 6 locations (water, sewer, electric & phone) based on 2015 and 2016 actuals.

70-7020 – Fuel – This is 80% of the anticipated fuel costs for the Experience Director.