



**Herriman
& Associates, Inc.**

COMMUNITY ASSOCIATION MANAGERS

41486 Wilcox Road • Plymouth, MI 48170-3104

734 459-5440 • Fax 734 459-0690

www.herriman.net

To: The Members of The Arbor Village Condominium Association

From: Herriman & Associates, Inc.
Management Agent for
The Arbor Village Condominium Association

Date: August 30, 2012

Re: 2012 - 2013 Operating Budget

Enclosed is a copy of the 2012-2013 operating budget for The Arbor Village Condominium Association. It was adopted by the Board of Directors at its meeting in July.

Monthly assessments for the fiscal year will remain unchanged. **Beginning October 1, 2012, the monthly assessments will remain at \$220.00.**

The 2012-2013 budget results in total income of \$543,840.00, total operating expenses of \$430,577.00 and a contribution to the reserve account in the amount of \$60,000.00. This will permit the addition of the remainder, \$53,263.00, to operating fund equity.

The board has worked to keep total operating costs down, despite increases in some line items (including, for instance, Insurance and Water & Sewer), while maintaining the same level of service.

If you currently use the electronic funds transfer (ACH) service, management will automatically continue the deduction of your monthly payments.

If you have not signed up for ACH, a payment coupon booklet is enclosed. Please make sure you mail your coupon with your check each month.

Payments are due the first of each month and payable without late charge through the fifteenth of the month. Payments by mail are to be sent to The Arbor Village Condominium Association, c/o Herriman & Associates, Inc., P.O. Box 701880, Plymouth, MI, 48170-0972.

If you have any questions, comments or suggestions, please do not hesitate to call any director or to call or email Dan Herriman, management representative, at 734-459-5440 or dherriman@herriman.net.

Thank you.

Enclosure(s)

THE ARBOR VILLAGE CONDOMINIUM ASSOCIATION
Financial Budget
October 1, 2012 to September 30, 2013

	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013	2012-2013
	9 mo. Actual	Forecast	Budget	Variance	Budget	Per Unit
Monthly Assessment, Per Unit	\$ 220.00	\$ 220.00	\$ 220.00		\$ 220.00	\$ 220.00
OPERATING INCOME						
Member Assessments	\$ 407,880	\$ 543,840	\$ 543,840	\$ -	\$ 543,840	\$ 2,640
Late Charges	1,023	1,200	-	1,200	-	-
Gain on Sale of Unit	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-
TOTAL OPERATING INCOME	\$ 408,903	\$ 545,040	\$ 543,840	\$ 1,200	\$ 543,840	\$ 2,640
OPERATING EXPENSES						
Administrative Expenses						
Audit	\$ 25	\$ 1,700	\$ 1,800	\$ 100	\$ 1,800	\$ 9
Bad Debt Expense	(46)	(46)	-	46	-	-
Copies & Postage	2,198	3,000	3,600	600	3,300	16
Insurance-Property/Liability	27,425	36,000	31,000	(5,000)	38,000	184
Legal	(793)	2,000	6,000	4,000	3,000	15
Management Fees	27,954	37,272	37,272	-	37,272	181
Miscellaneous Administrative	603	900	900	-	900	4
Taxes - Income	1,331	1,331	300	(1,031)	600	3
Total Administrative Expenses	\$ 58,697	\$ 82,157	\$ 80,872	\$ (1,285)	\$ 84,872	\$ 412
Buildings & Infrastructure						
Alarm Inspection	\$ 3,350	\$ 3,350	\$ 4,000	\$ 650	\$ 4,000	\$ 19
Asphalt Repairs	-	-	30,000	30,000	30,000	146
Basement Repairs	550	1,500	3,000	1,500	2,000	10
Brick and Cement Repairs	15,225	20,000	20,000	-	20,000	97
Building Repairs - General	11,178	15,000	9,000	(6,000)	15,000	73
Building Supplies	803	2,000	4,000	2,000	3,000	15
Chimney Cleaning	4,320	6,000	4,000	(2,000)	-	-
Exterminator	1,385	2,000	2,000	-	2,000	10
Misc. Bldg. Expenses	2,758	6,000	7,800	1,800	6,000	29
Plumbing Repairs	4,983	6,000	6,000	-	6,000	29
Snow/Ice Damming Repairs	-	-	3,000	3,000	3,000	15
Street Signs	5,050	5,050	-	(5,050)	-	-
Snow Removal & Ice Melt Products	54,425	54,425	66,000	11,575	57,425	279
Total Buildings & Infrastructure	\$ 104,027	\$ 121,325	\$ 158,800	\$ 37,475	\$ 148,425	\$ 721
Grounds						
Lawn Fertilization	\$ 2,520	\$ 3,360	\$ 3,360	\$ -	\$ 3,360	\$ 16
Lawn Service	13,500	33,450	24,150	(9,300)	33,450	162
Grounds Maintenance	2,970	4,500	6,500	2,000	5,000	24
Sprinkler Maintenance	4,655	7,500	7,500	-	7,500	36
Tree Trimming & Removal	325	10,000	2,000	(8,000)	2,000	10
Total Grounds	\$ 23,970	\$ 58,810	\$ 43,510	\$ (15,300)	\$ 51,310	\$ 249
Wages & Benefits						
Insurance-Workers Comp	\$ 2,147	\$ 2,700	\$ 2,400	\$ (300)	\$ 2,700	\$ 13
Payroll Taxes	1,906	2,500	3,150	650	2,600	13
Wages	23,620	31,500	31,500	-	31,500	153
Total Wages & Benefits	\$ 27,673	\$ 36,700	\$ 37,050	\$ 350	\$ 36,800	\$ 179
Utilities						
Electricity	\$ 6,443	\$ 9,000	\$ 9,000	\$ -	\$ 9,000	\$ 44
Water & Sewer	66,218	94,500	94,500	-	100,170	486
Total Utilities	\$ 72,661	\$ 103,500	\$ 103,500	\$ -	\$ 109,170	\$ 530
TOTAL OPERATING EXPENSES	\$ 287,028	\$ 402,492	\$ 423,732	\$ 21,240	\$ 430,577	\$ 2,090
Net Operating Income Before Transfers to Reserves						
Net Results from Operations	\$ 121,875	\$ 142,548	\$ 120,108	\$ 22,440	\$ 113,263	\$ 550
Transfers to Reserves	45,000	60,000	60,000	-	60,000	291
Net Results after Transfers to Reserves	\$ 76,875	\$ 82,548	\$ 60,108	\$ 22,440	\$ 53,263	\$ 259
Reserve Expenditures						
Vent Hook-Ups	\$ 15,450	\$ 15,450	\$ -		\$ -	\$ -