



To: The Members of The Townes at Liberty Park Condominium Association

From: Herriman & Associates, Inc.  
Management Agent

Date: December 7, 2018

Re: **2019 Operating Budget**

### **OVERVIEW**

- Assessments will be \$232.00 per month for 2019.
- The 2019 budget is enclosed.
- The \$2 per month increase in assessments will go to the Association's reserve fund for future major maintenance, repairs and replacements.
- If you prefer to use the ACH service, read and follow the below instructions. To commence ACH in January 2019, the ACH authorization must be returned to the Herriman office by December 20, 2018.
- Correspondence, including the ACH authorization, is to be sent to a mailing address that is different from the payment by check address.

### **DETAILS**

#### **2019 Assessment:**

At its meeting in November, the Association's Board of Directors approved the operating budget for 2019. It requires an increase in monthly assessments. Beginning January 1, 2019, monthly assessments shall be \$232.00.

Enclosed is a copy of the operating budget for The Townes at Liberty Park Condominium Association for 2019. The entire increase in assessments will go to the Association's reserve fund for future major maintenance, repairs and replacements.

#### **Payment Information:**

Payments are due the first of each month and payable without late charge through the tenth. Payments by mail are to be sent to The Townes at Liberty Park Condominium Association, P.O. Box 6409 Plymouth, MI 48170. See below #2 for more instructions. Note please that this address is a banking lockbox. Correspondence is not to be sent to this address.

A payment coupon booklet is enclosed unless you currently use the ACH service. If you prefer to use other payment options, including Automatic Payment (ACH Debit), please follow the below instructions.

#### **1. Automatic Payment (ACH Debit)**

You can have your association assessment payments automatically deducted from your checking account on the 5th of each month. This convenient service has several benefits for you:

- One less check to write on the 1st of each month
- One less postage stamp needed to mail your payment
- No worry or delay if you are on a business trip or vacation
- No late charges

It's easy to sign up for automatic payment. Simply complete the enclosed authorization and return it to our office **by December 20, 2018**. Please be sure to attach a voided check (not a deposit slip) to the form. ACH Debit payments are deducted from your account on the 5th day of each month. This form is also available on our website: [www.herriman.net](http://www.herriman.net).

December 1, 2017

If you choose to sign up for automatic payment but miss the deadline, you must remit a check for January 2019. The automatic payment will begin a month later.

**2. Payment By Check (Must Include Coupon)**

If you prefer to pay by check, a payment coupon MUST accompany your check. Make your checks payable to "The Townes at Liberty Park Condominium Association" and mail them to:

The Townes at Liberty Park Condominium Association  
P.O. Box 6409  
Plymouth, MI 48170

Correspondence is to be sent to The Townes at Liberty Park Condominium Association, c/o Herriman & Associates, Inc., 41486 Wilcox Rd., Plymouth, MI 48170-3104.

If you have any questions, comments or suggestions, please do not hesitate to call Mark Heppner, management representative, at 734-459-5440. Mark's email is [mheppner@herriman.net](mailto:mheppner@herriman.net)

**The Townes At Liberty Park Condominium Association  
2018 Budget and 2018 Projection and 2019 Budget**

331 units at \$232 per month for 2019	2018	2018	2018	2019
	Approved Budget	Projected Actual	Variance	Approved Budget
<b>OPERATING INCOME</b>				
Member Assessments	\$ 913,560	\$ 913,560	\$ -	\$ 921,504
Late Charges	-	3,354	3,354	-
Late Charge Expense	-	(2,290)	(2,290)	-
Lease Fee	-	2,400	2,400	-
Insurance Claim income	-	2,233	2,233	-
Micellaneous Income	-	-	-	-
Interest Income	-	190	190	-
Unrealized Gain (Loss) on Investments	-	-	-	-
<b>TOTAL OPERATING INCOME</b>	<b>\$ 913,560</b>	<b>\$ 919,447</b>	<b>\$ 5,887</b>	<b>\$ 921,504</b>
<b>OPERATING EXPENSES</b>				
<u>Administrative Expenses</u>				
Audit/review	900	\$ -	\$ 900	1500
Permits and fees	20	20	-	20
Copies & Postage	7,000	5,000	2,000	5,000
By Law enforcement	1,000	500	500	1,000
Insurance	65,000	60,000	5,000	65,000
Legal	5,000	3,000	2,000	5,000
Bad debt	1,000	1,000	-	1,000
Misc admin	1,000	1,400	(400)	1,400
LPRFA dues	85,245	85,245	-	59,580
Management Fees	46,320	46,320	-	46,440
<b>TOTAL ADMINISTRATIVE</b>	<b>\$ 212,485</b>	<b>\$ 202,485</b>	<b>\$ 10,000</b>	<b>\$ 185,940</b>
<u>Buildings and Infrastructure</u>				
Building Repairs - General	\$ 40,000	\$ 32,000	\$ 8,000	\$ 40,000
Exterminator	1,700	1,700	-	1,700
Fire suppression	21,000	21,870	(870)	22,000
Insurance claim expense	-	25,500	(25,500)	25,000
Snow removal	59,800	59,800	-	59,800
<b>TOTAL BUILDING</b>	<b>122,500</b>	<b>140,870</b>	<b>(18,370)</b>	<b>148,500</b>
<u>Grounds</u>				
Landscape Maintenance	165,050	165,050	-	165,050
Mulch	12,000	9,000	3,000	12,000
Irrigation Maintenance	5,000	6,000	(1,000)	5,000
Miscellaneous Grounds	5,000	8,500	(3,500)	5,000
Landscape Improvements	15,000	-	15,000	15,000
<b>TOTAL GROUNDS</b>	<b>\$ 202,050</b>	<b>\$ 188,550</b>	<b>\$ 13,500</b>	<b>\$ 202,050</b>
<u>Utilities</u>				
Water & Swer	\$ 36,400	\$ 36,400	\$ -	\$ 36,400
Electricity	15,000	14,000	1,000	15,000
<b>TOTAL UTILITIES</b>	<b>\$ 51,400</b>	<b>\$ 50,400</b>	<b>\$ 1,000</b>	<b>\$ 51,400</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 588,435</b>	<b>\$ 582,305</b>	<b>\$ 6,130</b>	<b>\$ 587,890</b>
Net Results from Operations	\$ 325,125	\$ 337,142	\$ 12,017	\$ 333,614
Transfer to Reserves	325,125	337,142	12,017	333,614

**The Townes At Liberty Park Condominium Association**  
**2018 Budget and 2018 Projection and 2019 Budget**

Net Results after Transfers to Reserves	\$ -	\$ -	\$ -	\$ -
<b>RESERVES INCOME</b>				
Transfers from Operations	\$ 325,125	\$ 337,142	\$ 12,017	\$ 333,614
Reserve Interest Income	-	-	-	-
<b>Total Reserves Income</b>	<b>\$ 325,125</b>	<b>\$ 337,142</b>	<b>\$ 12,017</b>	<b>\$ 333,614</b>
<b>RESERVES EXPENDITURES</b>				
Asphalt Road Replacement	\$ 20,000	\$ 104,725	\$ (84,725)	\$ 20,000
Painting/wood replace/vinyl rails	130,000	66,200	63,800	200,000
Cement repairs	40,000	11,000	29,000	15,000
Masonry Repairs	-	24,100	(24,100)	10,000
<b>Total Reserves Expenditures</b>	<b>\$ 190,000</b>	<b>\$ 206,025</b>	<b>\$ (16,025)</b>	<b>\$ 245,000</b>
Net Reserves Fund Transactions	\$ 135,125	\$ 131,117	\$ (4,008)	\$ 88,614
<b>RESERVES FUND EQUITY</b>				
Reserves Fund Balance, Beginning of Year	\$ 605,140	\$ 726,700	\$ 121,560	\$ 845,800
Add: Total Reserves Income	325,125	325,125	-	333,614
Reserves Funds Available	930,265	1,051,825	121,560	1,179,414
Less: Total Reserves Expenditures	190,000	206,025	(16,025)	245,000
<b>Reserves Fund Balance, End of Year</b>	<b>\$ 740,265</b>	<b>\$ 845,800</b>	<b>\$ 105,535</b>	<b>\$ 934,414</b>
Prepared by Herriman & Associates: 10/25/2017				
Approved by the Board of Directors: 11/20/2018				