

MILANO SECTION IV RESIDENTS ASSN., INC.
ADOPTED BUDGET FOR THE FISCAL YEAR
JAN. 1, 2020 TO DEC. 31, 2020

MILANO SECTION IV	2019	2019	2020	CHANGE	2020	2020
64 UNITS	ADOPTED	PROJECTED	ADOPTED	FROM	QUARTERLY	Budget Notes
	BUDGET	ACTUAL	BUDGET	'19 TO '20	PER UNIT	
REVENUE:	\$1,062/qtr.		\$1,127/qtr.			\$65/unit/qtr. increase
MAINTENANCE ASSESSMENTS	240,128.00	240,128.00	252,416.00	12,288.00	986.00	significant increases: Milano Rec. \$54/unit/qtr, mgmt and professional fees
RESERVE ASSESSMENTS	31,744.00	31,744.00	36,096.00	4,352.00	141.00	see reserve schedule - new roof funding plan based on K. Simon Construction estimates
TOTAL REVENUE	\$271,872.00	\$271,872.00	\$288,512.00	\$16,640.00	\$1,127.00	6.12% percentage change
EXPENSES:						
OPERATING -						
BAD DEBT	2,829.00	5,576.00	0.00	(2,829.00)	0.00	Allowance plan for bad debt for one unit that has been a historical receivable due to bankruptcy filing from 2011. wrote off the bad debt of \$5,576 in March '19.
CONTINGENCY	2,500.00	0.00	2,500.00		9.77	Per Manager BOD wants to set up a \$2,500 contingency for 2019 for unplanned expenses. Keep contingency for 2020.
ELECTRICITY	1,350.00	1,364.77	1,400.00	50.00	5.47	In 2019 - 9 accounts - avg \$116/month. FPL proposed a four year plan. 2017-2020 rate to include a 2.8% increase per year for 3 years and no increase in 2020. Slight increase for 2020 based on 2019 projected actuals.
FIRE ALARM MAINTENANCE	8,420.00	7,845.70	8,000.00	(420.00)	31.25	In 2019 paid National Security Fire - annual alarm inspection \$675 + tax = \$715.50.; Annual fire sprinkler inspection \$1,525 + tax \$1,631.75. Also paid \$107 for backflow repair and \$1,808 to replace fire alarm panel. Estimate backflow inspection \$675 and \$3k in repairs before year end. For 2020 Annual fire sprinkler \$1,632, annual alarm inspection \$716, backflow \$675 and \$5k in repairs.
FIRE ALARM MONITORING	5,200.00	5,151.60	5,160.00	(40.00)	20.16	In 2019 National Security Fire \$405/mo. plus 6% tax for monitoring services. Jan-June \$2,575.80 and July-Dec \$2,575.80. Per mgr. no change for 2020.
FIRE METER WATER	0.00	219.70	0.00		0.00	In Jan CCU invoices received for fire meter water service beginning 10/5/18 in Feb the county stopped billing for the fire meter water. No need to budget for 2020.
INSURANCE	31,575.00	25,400.00	30,500.00	(1,075.00)	119.14	In 2019, Property - American Capital Assurance Corp \$30,922, Package Liability-\$1,130, Crime-\$577, D&O -\$1,025. All effective 6/12/2019. In Sept. '19 recvd \$7,926 refund on property - adjusted premium now \$22,996. Per Agent for 2020 estimate - Property \$27,500 (includes Wind & Boiler & Machinery), \$1,200 for General Liability, Crime \$650, and D&O \$1,150. Increase for 2020.
MANAGEMENT/ACCOUNTING	16,130.00	18,630.00	18,970.00	2,840.00	74.10	In 2019 AJJ Management \$730/month plus \$2,500 bonus a/o y/e for overseeing roof project and Collier Financial \$570/month and \$530 for budget fee. For 2020 AJJ Management 2% increase \$745 plus \$2,500 contingency and Collier Financial 2.06% increase \$580/month and \$570 for budget fee.
MASTER ASSOCIATION FEE	151,552.00	151,552.00	165,376.00	13,824.00	646.00	In 2019, master rate \$592/qtr. For 2020 Master proposed rate \$646/unit/qtr. - \$54/unit increase. Comcast, landscape contract, mulch and irrigation are main cost increases.
OFFICE/POSTAGE/ADMINISTRATION	3,300.00	3,737.90	3,700.00	400.00	14.45	In 2019 Administrative services, expenses and postage from CFI & AJJ Management In 2019 higher costs as result of special members meeting. Slight Increase for 2020 based on '18/'19 actual.
PROFESSIONAL FEES	5,000.00	14,040.96	8,000.00	3,000.00	31.25	In 2019 (thru end of Sept. paid \$12,541. Paid CFI \$187.50 to attend annual meeting, \$250 for mtg w/atty Irma ins settlement and add'l work oh Irma historical inv and cks. Paid Adamczyk Law Firm \$11,043 for various association matters re: parking/towing issues, fines and violations, IRMA insurance settlement roof replacement contract and Austin foreclosure matter. Townsend appraisal \$1,100 for insurance appraisal. Estimate add'l \$1,500 in expenses before year end. For 2020 increase to \$8K per Board based on past history

p.1

239-596-2526

AJJ Management Svc LLC

Feb 18 20 02:44p

MILANO SECTION IV RESIDENTS ASSN., INC.
ADOPTED BUDGET FOR THE FISCAL YEAR
JAN. 1, 2020 TO DEC. 31, 2020

MILANO SECTION IV	2019	2019	2020	CHANGE	2020	2020
64 UNITS	ADOPTED	PROJECTED	ADOPTED	FROM	QUARTERLY	Budget Notes
	BUDGET	ACTUAL	BUDGET	'19 TO '20	PER UNIT	
REPAIRS & MAINTENANCE	6,000.00	6,000.00	6,000.00		23.44	In 2019 thru 8/27/19 no expenses. Estimate before y/e \$5,000 for power washing buildings & pavers + \$1K for misc. repairs. Per mgmt. no change for 2020.
ROOF CLEANING	6,180.00	0.00	3,090.00	(3,090.00)	12.07	No expenses in 2019 as roofs have been replaced. Per Board - keep the funding in place for 1 application possibly to be used in late 2020
HURRICANE DAMAGE	0.00	1,364,850.86	0.00		0.00	Record Irma insurance settlement and payments made to K. Simon Construction handled by Adamczyk Law
TAX RETURN PREPARATION	400.00	400.00	400.00		1.56	In 2019 \$400 for CFI to prepare 2016 Federal Tax Return. No change for 2020.
TAXES/LICENSES/FEES	192.00	154.25	320.00	128.00	1.25	In 2019 Corporate Annual Report \$61.25 and \$93 fed tax.
TOTAL OPERATING	\$240,628.00	\$1,604,923.74	\$253,416.00	\$12,788.00	\$989.91	
RESERVE TRANSFERS -						
RESERVE-INTEREST	1,200.00	2,890.42	2,000.00	800.00	7.81	transfer of reserve interest
PAINT	6,538.00	6,538.00	3,000.00	(3,538.00)	11.72	see reserve schedule - continue funding, but at reduced rate
ROOF	21,440.00	21,440.00	29,330.00	7,890.00	114.57	see reserve schedule - new roof funding plan
FIRE PROTECT-FIRE ALARM PANELS	2,016.00	2,016.00	2,016.00		7.88	see reserve schedule
FIRE PROTECT-ENCLOSURE W/AC	0.00	0.00	0.00		0.00	see reserve schedule - Fully Funded
BUTTERS	1,750.00	1,750.00	1,750.00		6.84	see reserve schedule
TOTAL RESERVE TRANSFERS	\$32,944.00	\$34,634.42	\$38,096.00	\$5,152.00	\$148.82	
TOTAL EXPENSES	\$273,572.00	\$1,639,558.16	\$291,512.00	\$17,940.00	\$1,138.73	
OTHER INCOME:						
STATE FEES	0.00	122.64	0.00		0.00	conservative estimate with other income sources
VIOLATION FEES	0.00	1,000.00	0.00		0.00	conservative estimate with other income sources
APPLICATION FEES	500.00	1,410.00	1,000.00	500.00	3.91	conservative estimate with other income sources
INTEREST EARNED - RESERVES	1,200.00	2,890.42	2,000.00	800.00	7.81	conservative estimate with other income sources
INSURANCE SETTLEMENT	0.00	1,364,850.86	0.00		0.00	Record Irma insurance settlement and payments made to K. Simon Construction handled by Adamczyk Law
TOTAL OTHER INCOME	\$1,700.00	\$1,370,273.92	\$3,000.00	\$1,300.00	\$11.72	
NET INCOME/(LOSS)	\$0.00	\$2,587.78	\$0.00	\$0.00	(\$0.01)	
		\$46,586.62	12/31/18 cumulative gain			
		\$49,174.38	12/31/19 projected gain			
FOOTNOTES:						
The Association will end the year with an estimated cumulative surplus of approximately \$49,170.						

p.2

239-596-2526

AJJ Management Svc LLC

Feb 18 20 02:44p

MILANO SECTION IV RESIDENTS ASSOCIATION, INC.
ADOPTED RESERVE FUNDING FOR FISCAL YEAR JAN. 1, 2020 TO DEC. 31, 2020

UNITS - 64	PAINTING 2020	ROOF	FIRE PROTECTION FIRE ALARM PANELS	FIRE PROTECTION ENCLOSURE W/ AIR COND.	GUTTERS	TOTAL
REPLACEMENT COST *	\$48,000	\$1,149,600	\$19,500	\$13,440	\$35,000	\$1,265,540
LIFE (YEARS)	7	30	6	6	20	
REMAINING LIFE (YEARS)	1	30	2	1	19	
12/31/19 BALANCE (estimated)	\$45,000	\$270,201	\$15,468	\$13,440	\$1,750	\$345,859
AMOUNT TO FUND	\$3,000	\$879,399	\$4,032	\$0	\$33,250	\$919,681
Year 2020 FUNDING	\$3,000	\$29,330	\$2,016	\$0	\$1,750	\$36,096
QUARTERLY FUNDING	\$750.00	\$7,332.50	\$504.00	\$0.00	\$437.50	\$9,024.00
QUARTERLY PER UNIT	\$11.72	\$114.57	\$7.88	\$0.00	\$6.84	\$141.00
*To be expressed in terms of today's cost, without adjustment for inflation, which is covered from interest income.						
In addition to the above balances the Association has \$19,289 in initial capital plus interest of \$8,285.						
Reserve Expense History:						
Reserve Expenses 2019:						
In July paid K Simon Construction \$3,643 for roof replacement project (Roof)						
In 2018 - No reserve expenses						
In 2017 - No reserve expenses						
In 2016 - No reserve expenses						

p.3

239-596-2526

AJJ Management Svc LLC

Feb 18 20 02:44p