

**MILANO RECREATION ASSN., INC.**  
**ADOPTED BUDGET FOR THE FISCAL YEAR**  
**JAN. 1, 2022 TO DEC. 31, 2022**

MILANO RECREATION	2021	2021	2022	CHANGE	2022	2022
UNITS - 256	ADOPTED	PROJECTED	ADOPTED	FROM	QUARTERLY	Budget Notes
	BUDGET	ACTUAL	BUDGET	PRIOR YEAR	PER UNIT	
<b>REVENUE:</b>	\$696/qtr		\$696/qtr			<b>No change for Rec Assn assessment for 2022</b>
MAINTENANCE ASSESSMENTS	640,704.00	640,704.00	642,048.00	1,344.00	627.00	In 2022 - largest increases to 2022 budget are cable/internet, insurance, landscaping category. Board will consider operating a deficit budget and maintain the same assessment in 2022
RESERVE ASSESSMENTS	72,000.00	72,000.00	70,656.00	(1,344.00)	69.00	See Reserve schedule for details
<b>TOTAL REVENUE</b>	<b>\$712,704.00</b>	<b>\$712,704.00</b>	<b>\$712,704.00</b>	<b>\$0.00</b>	<b>\$696.00</b>	<b>Percentage change</b>
<b>EXPENSES:</b>						<b>0.00%</b>
<b>- ADMINISTRATION -</b>						
ACCOUNTING	12,615.00	12,615.00	12,870.00	255.00	12.57	In 2021, CFI \$965/month base \$1035 for budget prep. For 2022 CFI \$985/mo. base \$1,050 for budget prep. 1.94% increase.
MANAGEMENT	19,536.00	19,536.00	20,515.00	979.00	20.03	In 2021, Cambridge \$1,628/month. For 2022 - 5% increase for Cambridge \$1,709/mo.
OFFICE & POSTAGE	6,000.00	5,409.12	6,000.00		5.86	In 2021 Administrative services, expenses and postage from CFI, and Cambridge Management. No change for 2022 based on projected actuals.
INSURANCE	11,450.00	17,673.35	19,550.00	8,100.00	19.09	Policy period 6/3/21-6/3/22 D&O \$1,497, Umbrella \$2,982; Crime \$499 and Package \$11,564; Property \$1,132 for total of \$17,674. For 2022, per Agent estimates Package Policy (includes Wind and Gen Liability) \$12,720, D&O \$1,497, Crime \$524, Umbrella \$3,429, Property \$1,358 for total \$19,529. increase budget for 2022.
LICENSES/FEES/TAXES	3,630.00	1,688.38	2,051.00	(1,579.00)	2.00	In 2021 paid \$61.25 for Corp Annual Report. Paid FL Dept. of Health \$875 for pool & spa permits. Paid \$752 federal taxes owed for 2019/2020 year end. For 2022 lower budget - expect lower fed tax expense
PROFESSIONAL FEES	20,000.00	20,113.00	20,000.00		19.53	Thru 9/30/21 paid \$12,113 in professional fees. Payments made to: Adamczyk Law \$11,555 for various association matters/issues: lease restrictions, lease amendments, foreclosures, grandfather status, injury due to fall, violations, demand letters, NVR vote, NVR amendment, unapproved tenant. Paid \$288 to CFI for attendance at annual members/board meetings (\$225) & prof services. Paid Townsend \$270 for appraisal update Est \$8K in add'l legal services before year end. Maintain same budget for 2022 - schedule a Reserve Study
TAX RETURN PREPARATION	500.00	500.00	500.00		0.49	For 2021 CFI to prepare \$500 - no change in fee for 2022.
WEBSITE PORTAL	1,300.00	1,300.00	1,300.00		1.27	In 2021 paid \$1,300 MS Web services for one year of website maintenance. MS Web Services \$1300 for 2022.
<b>TOTAL ADMINISTRATION</b>	<b>75,031.00</b>	<b>78,834.85</b>	<b>82,786.00</b>	<b>7,755.00</b>	<b>80.84</b>	
<b>- BUILDING -</b>						
FIRE EXTINGUISHER MAINTENANCE	1,000.00	0.00	0.00	(1,000.00)	0.00	No expense in 2021 to date. Most sub associations are paying themselves though governing docs place the responsibility with the Rec Assn (section 7.1). Eliminate in 2022.
JANITORIAL CONTRACT	7,200.00	7,200.00	7,416.00	216.00	7.24	In 2021-Supreme Service \$600/mo. Per management for 2022 Supreme Services \$618/mo. - 3%
JANITORIAL SUPPLIES/EXTRA VISITS	2,800.00	4,681.16	2,800.00		2.73	For 2021 janitorial supplies and extra visits from monthly contract. \$80 per extra visit . Maintain same budget for 2022 - mgmt to address extra visits with Supreme.
POOL/SPA CONTRACT	5,880.00	6,060.00	6,240.00	360.00	6.09	2021 Budget basis -\$490/month Actual for 2021, Pure Water of Naples at \$505/mo. For 2022 Pure Water \$505/mo. No report from property mgmt of an increase, but estimate 3% increase since most pool vendors are increasing base rates in 2022.
POOL/SPA R&M	5,100.00	6,213.05	5,200.00	100.00	5.08	In 2021 per management separate pool/spa maintenance and repairs from contract; thru 9/15/21 paid \$159.69/mo. to Comcast for emergency phone at pool; 7 serv call/repairs to Pure Water Pools for \$3,172 (largest expense \$1,670 to re-plumb pressure side of pool filter pumps and install new pump, other repairs: rebalance water, install vacuum safety cap, reinstall pool light, black algae treatment, install new toro valve). For 2022 est Comcast \$160/mo and \$3,280 for Repairs.

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UNITS - 256	ADOPTED	PROJECTED	ADOPTED	FROM	QUARTERLY	Budget Notes
	BUDGET	ACTUAL	BUDGET	PRIOR YEAR	PER UNIT	
TRASH COLLECTION	222.00	229.20	230.00	8.00	0.22	In 2021 one roll out container -paid \$229.20 for commercial cart/trash service. Slight increase for 2022.
<b>TOTAL BUILDING</b>	<b>22,202.00</b>	<b>24,383.41</b>	<b>21,886.00</b>	<b>(316.00)</b>	<b>21.36</b>	
<b>- GROUNDS -</b>						
COMMON AREA R&M	20,000.00	17,974.93	20,000.00		19.53	As of 9/15/21 spent \$11,749 on Grounds repairs. Paid Cambridge Management a total of \$1,401 to paint pool bathrooms, pool fob distribution, grab bars, lights for bathrooms; Paid Hawkeye \$455 for private property sign and pool-spa sign; Paid Watermark \$7,096 (largest expenses \$3,910 to prep/paint 34 light poles, \$1,616 to install new door slab men's pool bath); Paid Key Security \$733 for fobs, access control, sync all NDE locks; Paid Kingdom Electric \$554 to replace lightbulbs and photocells; Paid South FL Gas \$1,053 for propane; Paid \$307 in misc. expenses. Estimate \$2k/mo. from Oct-Dec. before y/e. No change for 2022.
PEST CONTROL	13,596.00	13,296.00	13,596.00		13.28	In 2021 Abate Pest Control \$768/month and rodent control \$240/month. Also Abate Pest \$480 for fire ant treatment and in Feb/April/June. Per management vendor has not indicated any rate change for 2022 Abate \$768/mo., and budget \$240/mo. for rodent control and \$1500 for misc. services in 2022.
PRESSURE WASHING	4,000.00	4,000.00	4,000.00		3.91	In 2021 paid Supreme Services \$200 to wash awnings at tennis court. Estimate \$3,800 to pressure wash common areas before year end. For 2022 no change.
LAKE RECHARGE WELL/PUMP SYSTEM	3,140.00	2,385.00	3,140.00		3.07	In 2021 paid Miller Morgan \$95/month for monitoring of pump and motor (only paid Jan/Feb). Paid Trademark Water Systems \$130 to troubleshoot broken wire harness. Estimate add'l \$1k for repairs and maintenance before year end. For 2022, Budget basis \$95/month or \$1,140/year for monitoring of new motor & pump, plus additional \$2,000 for repairs.
PAVER REPAIRS	23,200.00	21,649.00	23,200.00		22.66	As of 9/15/21 paid \$15,649 for paver repairs. Paid Chrifsa Services \$1,330; ICS Material \$9,844 multiple paver repairs throughout community; Watermark Redevelopment \$4,475. Mgmt reports need for additional paver repairs = estimate \$2K/mo. from Oct- Dec in additional repairs ,before year end. No change for 2022.
LAKE & FOUNTAIN MAINTENANCE	8,700.00	8,204.00	8,700.00		8.50	In 2021 Aquagenix for lake maintenance \$442/month, plus \$150/qtr. for fountain maint and \$200/qtr. for aeration maintenance. Est \$1,500 for additional maint/repairs before year end. For 2022, Aquagenix \$442/mo., plus \$150/qtr. for fountain maint and \$200/qtr. for aeration maint + \$2K for repairs.
HOLIDAY DECORATIONS	2,875.00	2,875.00	3,200.00	325.00	3.13	In 2020 paid Whited Holiday Décor \$2,875 for holiday decorations. In '21 est \$2,875 before year end. For 2022 increase budget to \$3,200.
<b>TOTAL GROUNDS</b>	<b>75,511.00</b>	<b>70,383.93</b>	<b>75,836.00</b>	<b>325.00</b>	<b>74.08</b>	
<b>- LANDSCAPING -</b>						
LANDSCAPE CONTRACT	105,600.00	105,600.00	110,880.00	5,280.00	108.28	In 2021 Hector Mario Lawns at \$8,800/mo. For 2022 per Hector Mario Letter increase \$9,240/mo. - 5%
PLANTINGS/OTHER	18,000.00	28,670.00	25,000.00	7,000.00	24.41	Through 9/15/21 spent \$17,745 to Hector Mario Lawns for various plantings/annual flowers, & sod. Including \$7,375 for spring flowers. In late Sept \$1,300 for sod and in October \$8,325 for fall flowers (1,400 @ \$5.50 plus 5 yds of planting mix) Mgmt reports more sod needed - estimated \$1,300 more before year end. Need to increase budget - summer/fall flowers alone are costing \$15,500. Recommend \$25K
MULCH	22,000.00	22,000.00	22,000.00		21.48	Thru 10/30/21 no expense. Last full mukch in 2019 was \$21,700. Estimate \$22k before year end. For 2022, maintain same budget \$22K.
TREE TRIMMING/REMOVAL	21,000.00	22,494.00	22,000.00	1,000.00	21.48	As of 9/15/21 paid Hector Mario Lawns \$2,090 for tree removals and \$12,804 to trim 776 queen and sabal palms, in Sept paid \$700 to trim 20 royal palms. Est hardwood trim \$6,900 before y/e. Per mgmt., increase to \$22k for 2022.

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UNITS - 256	ADOPTED	PROJECTED	ADOPTED	FROM	QUARTERLY	Budget Notes
	BUDGET	ACTUAL	BUDGET	PRIOR YEAR	PER UNIT	
PRESERVE MAINTENANCE	5,360.00	5,360.00	5,360.00		5.23	In 2021 Budget basis - Collier Environmental Services - preserve tree trim program to be completed quarterly at a cost of \$840/qtr. Budget basis for 2022 - qrtly service \$840 plus \$2,000 for add'l maintenance.
IRRIGATION MAINTENANCE	30,000.00	34,545.74	33,700.00	3,700.00	32.91	As of 9/15/21 paid Irrigation Concepts \$24,001 for various irrigation repairs. Irrigation Concepts contract - \$960/month for wet check + estimate \$540/mo. in add'l irrigation repairs before year end. Per mgmt. for 2022 \$11,520 for monthly base and est \$22.2k in repairs.
<b>TOTAL LANDSCAPING</b>	<b>201,960.00</b>	<b>218,669.74</b>	<b>218,940.00</b>	<b>16,980.00</b>	<b>213.79</b>	
<b>- UTILITIES</b>						
CABLE TELEVISION & INTERNET	237,400.00	237,395.26	247,000.00	9,600.00	241.21	2021 Budget basis: \$75.50/month incl. taxes for cable/internet rate thru May 2021. Per contract increase beginning June 1, 2021, actual increase \$78.56/mo. For 2022 maintain \$78.56/mo. through May 2022 then estimated future increase per Comcast - 4% to \$81.72/mo. incl. taxes.
ELECTRICITY	26,500.00	24,226.24	25,200.00	(1,300.00)	24.61	FPL news release - costs to increase 2-3% per year in 2022-2025. For 2022 small reduction based on 2020 actual/2021 projected with 3% increase
WATER & SEWER	2,600.00	2,486.68	2,600.00		2.54	Collier County utility 2022 rates - 3% increase effective 10/1/21. Current budget sufficient for 2022 budget based on 2021 actual adjusted for rate increase.
<b>TOTAL UTILITIES</b>	<b>266,500.00</b>	<b>264,108.18</b>	<b>274,800.00</b>	<b>8,300.00</b>	<b>268.36</b>	
<b>- RESERVE TRANSFERS -</b>						
INTEREST	4,000.00	3,894.32	1,100.00	(2,900.00)	1.07	transfer of reserve interest
ROOF	460.00	460.00	460.00		0.45	see Reserve schedule
PAINT	0.00	0.00	0.00		0.00	see Reserve schedule - fully funded
STREETS	9,738.00	9,738.00	9,739.00	1.00	9.51	see Reserve schedule
POOL /FURNITURE/SECURITY	17,725.00	17,725.00	20,927.00	3,202.00	20.44	see Reserve schedule - increase funding for pool furniture and pool mechanical equipment
IRRIGATION SYSTEM	9,676.00	9,676.00	9,947.00	271.00	9.71	see Reserve schedule
LANDSCAPING RENOVATIONS	5,000.00	5,000.00	5,000.00		4.88	see Reserve schedule
LAKES EROSION, DREDGING	6,250.00	6,250.00	6,250.00		6.10	see Reserve schedule
ENTRY WALL/SIGNAGE	1,707.00	1,707.00	1,708.00	1.00	1.67	see Reserve schedule
TENNIS/BASKETBALL, color coating	1,600.00	1,600.00	1,600.00		1.56	see Reserve schedule
LANDSCAPE LIGHTING	700.00	700.00	700.00		0.68	see Reserve schedule
FIRE EXTINGUISHER REPLACE.	1,562.00	1,562.02	0.00	(1,562.00)	0.00	see Reserve schedule - fully funded based on plan
LAKE FOUNTAIN/AERATORS	2,306.00	2,306.00	3,069.00	763.00	3.00	see Reserve schedule
TENNIS/BASKETBALL, LIGHTS	2,430.00	2,430.00	2,326.00	(104.00)	2.27	see Reserve schedule
TENNIS/BASKETBALL, FENCE	1,403.00	1,403.00	1,403.00		1.37	see Reserve schedule
TENNIS/BASKETBALL, SURFACE REPLACE	2,960.00	2,960.00	2,960.00		2.89	see Reserve schedule
RETAINING WALLS, CONCRETE	3,916.00	3,916.00	0.00	(3,916.00)	0.00	see Reserve schedule
FENCES, WOOD, PRIVACY	4,567.00	4,567.00	4,567.00		4.46	see Reserve schedule
RESALE CAPITAL	6,000.00	62,000.00	10,000.00	4,000.00	9.77	resale capital collected at all sales - \$1,000 effective 9/24/2020. Project 10 sales for 2022
<b>TOTAL RESERVE TRANSFERS</b>	<b>\$82,000.00</b>	<b>\$137,894.34</b>	<b>\$81,756.00</b>	<b>(\$244.00)</b>	<b>\$79.83</b>	
<b>TOTAL EXPENSES</b>	<b>\$723,204.00</b>	<b>\$794,274.45</b>	<b>\$756,004.00</b>	<b>\$32,800.00</b>	<b>\$738.26</b>	
<b>OTHER INCOME:</b>						

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	BUDGET	ACTUAL	BUDGET	PRIOR YEAR	PER UNIT	
FINES	0.00	9,250.00	0.00		0.00	in May 2021 fined 1 owner \$250, in Sept. 2021 fined 5 owners \$9K.
MISCELLANEOUS INCOME/LATE FEES	500.00	2,975.00	1,500.00	1,000.00	1.46	conservative estimate with other income - pool keys, parking tags, FOBS
RESALE CAPITAL	6,000.00	62,000.00	10,000.00	4,000.00	9.77	resale capital collected at all sales - \$1,000 effective 9/24/2020. Project 10 sales for 2022
INTEREST EARNED - RESERVES	4,000.00	3,894.32	1,100.00	(2,900.00)	1.07	conservative estimate with other income - after COVID19 interest rates dropped significantly
<b>TOTAL OTHER INCOME</b>	<b>\$10,500.00</b>	<b>\$78,119.32</b>	<b>\$12,600.00</b>	<b>\$2,100.00</b>	<b>\$12.29</b>	
<b>NET INCOME/(LOSS)</b>	<b>\$0.00</b>	<b>(\$3,451.13)</b>	<b>(\$30,700.00)</b>	<b>(\$30,700.00)</b>	<b>(\$29.97)</b>	
		\$23,520.66	12/31/20 cumulative gain			
		\$20,069.53	12/31/21 projected gain/(loss)			
The Association will end the year with an estimated cumulative surplus of approximately \$20,070						
and \$80,880 in resale capital funds. The Board will consider operating a \$30,700 deficit budget by using						
the resale capital to offset 2022 cost increases and maintain the same assessment as 2021.						

**MILANO RECREATION ASSOCIATION, INC.**  
**ADOPTED RESERVE FUNDING FOR FISCAL YEAR JAN. 1, 2022 TO DEC. 31, 2022**

UNITS - 256	ESTIMATED REPLACEMENT COST	TOTAL LIFE (YEARS)	ESTIMATED REMAINING USEFUL LIFE	ESTIMATED RESERVE BALANCE 12/31/21	AMOUNT NEEDED TO FULLY FUND	2022 FUNDING
<b>POOL BUILDING:</b>						
ROOF	\$25,000	25	23	\$14,414	\$10,586	\$460
PAINTING	\$4,000	7	6	\$4,000	\$0	\$0
<b>STREETS:</b>						
PAVING OVERLAY	\$120,000	15	2	\$107,951	\$12,049	\$6,025
PAVING RESEALING/STRIPING	\$15,000	7	1	\$15,000	\$0	\$0
CONCRETE CURB/GUTTERS & SIDEWALKS	\$50,000	20	5	\$31,430	\$18,570	\$3,714
<b>POOL:</b>						
POOL DECK/COPING	\$25,000	10	6	\$10,834	\$14,167	\$2,361
POOL SURFACE	\$20,000	10	4	\$11,402	\$8,598	\$2,150
POOL FENCE	\$15,000	10	9	\$10,178	\$4,822	\$536
POOL FURNITURE/ACCESSORIES	\$20,000	5	4	(\$12,009)	\$32,009	\$8,052
POOL/SPA HEATERS - Geo-thermal	\$25,000	15	6	\$13,369	\$11,631	\$1,938
POOL MECHANICAL	\$15,000	10	2	\$7,051	\$7,949	\$3,974
SECURITY SYSTEM	\$10,000	5	3	\$4,251	\$5,749	\$1,916
IRRIGATION SYSTEM/PUMPS	\$50,000	12	4	\$10,928	\$39,072	\$9,947
LANDSCAPING RENOVATIONS	\$75,000	15	14	\$5,000	\$70,000	\$5,000
LAKES EROSION, DREDGING	\$50,000	25	3	\$31,250	\$18,750	\$6,250
LAKE FOUNTAIN/AERATORS	\$18,000	10	3	\$8,792	\$9,208	\$3,069
ENTRY WALL/SIGNAGE	\$25,000	15	4	\$18,170	\$6,830	\$1,708
TENNIS/BASKETBALL, COLOR COATING	\$16,000	10	4	\$9,600	\$6,400	\$1,600
LANDSCAPE LIGHTING	\$10,000	5	3	\$7,900	\$2,100	\$700

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<b>FIRE EXTINGUISHER REPLACE</b>	<b>\$14,848</b>	<b>12</b>	<b>1</b>	<b>\$14,848</b>	<b>\$0</b>	<b>\$0</b>
<b>TENNIS/BBALL LIGHTS</b>	<b>\$36,400</b>	<b>15</b>	<b>15</b>	<b>\$1,517</b>	<b>\$34,883</b>	<b>\$2,326</b>
<b>TENNIS/BBALL FENCE</b>	<b>\$18,240</b>	<b>25</b>	<b>7</b>	<b>\$8,418</b>	<b>\$9,822</b>	<b>\$1,403</b>
<b>TENNIS/BBALL SURFACE REPLACE</b>	<b>\$70,200</b>	<b>25</b>	<b>19</b>	<b>\$13,956</b>	<b>\$56,244</b>	<b>\$2,960</b>
<b>RETAINING WALLS, CONCRETE FENCES, WOOD, PRIVACY</b>	<b>\$30,000</b>	<b>13</b>	<b>1</b>	<b>\$30,000</b>	<b>\$0</b>	<b>\$0</b>
	<b>\$69,120</b>	<b>25</b>	<b>10</b>	<b>\$23,451</b>	<b>\$45,669</b>	<b>\$4,567</b>
<b>TOTALS</b>	<b>\$826,808</b>			<b>\$401,701</b>	<b>\$425,107</b>	<b>\$70,656</b>
*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 approx. \$11,562 in Interest on Reserves and estimated \$80,878 in Resale Capital.						
<b>Reserve Expense History:</b>						
<b>Reserve expenses in 2021:</b>						
In July paid Pure Water Pools \$1,800 for pool filter elements and ports/tubes/tanks/pumps (pool furn/equip)						
In July/Aug paid Kingdom Electric \$7,390 for tennis/basketball lights (tennis/bball lights)						
In July paid Cambridge \$1,919.03 for 4 pool umbrellas (pool/furn/equip)						
In August paid Trademark \$2,290 to replace sumbermisble motor on lake fountain (lake ftn/aerators)						
In August paid Cambridge \$5,884.16 for 19 tennis court lights and fixtures (tennis/b ball lights)						
In August paid Cambridge \$374.91 for lighting project supplies (tennis/b ball lights)						
In October paid Mast Well Drilling \$7,556 for irrigation pump install (irrigation)						
Before y/e \$13,000 for 20 pallets of sod - charge to resale capital						