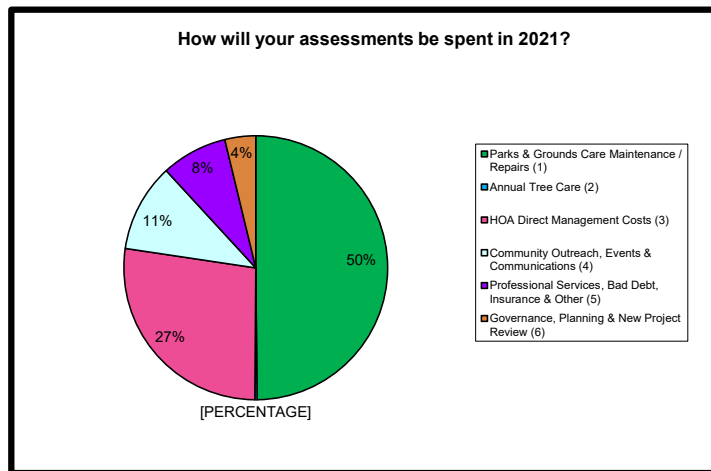


## LCMA Proposed 2021 Operating Budget

Income	2020 Operating Budget	2020 % of Total Budget	2021 Proposed Operating Budget	2021 % of Total Budget	YOY Variance	% Increase / Decrease
Assessments - Homeowners	698,768	63.3%	698,768	62.7%	-	0.00%
Assessments - Apartments	113,696	10.3%	117,232	10.5%	3,536	3.11%
Assessments - Commercial	271,456	24.6%	286,416	25.7%	14,960	5.51%
Assessments - Schools	6,528	0.6%	6,528	0.6%	-	0.00%
Interest & Fees	10,100	0.9%	6,250	0.6%	(3,850)	-38.12%
Professional Services	2,500	0.2%	0	0.0%	(2,500)	-100.00%
<b>Total Operating Income</b>	<b>1,103,048</b>	<b>100.0%</b>	<b>1,115,194</b>	<b>100.0%</b>	<b>12,146</b>	<b>1.10%</b>

Expense	2020 Operating Budget	2020 % of Total Budget	2021 Proposed Operating Budget	2021 % of Total Budget	YOY Variance	% Increase / Decrease
Parks & Grounds Care Maintenance / Repairs (1)	525,316	47.6%	549,117	49.2%	23,801	4.53%
Annual Tree Care (2)	32,000	2.9%	3,000	0.3%	(29,000)	-90.63%
HOA Direct Management Costs (3)	289,659	26.3%	300,331	26.9%	10,672	3.68%
Community Outreach, Events & Communications (4)	122,950	11.1%	118,904	10.7%	(4,046)	-3.29%
Professional Services, Bad Debt, Insurance & Other (5)	78,123	7.1%	89,046	8.0%	10,923	13.98%
Governance, Planning & New Project Review (6)	55,000	5.0%	41,550	3.7%	(13,450)	-24.45%
<b>Total Operating Expense - Reserve Contribution</b>	<b>1,103,048</b>	<b>100.0%</b>	<b>1,101,948</b>	<b>98.8%</b>	<b>(1,100)</b>	<b>-0.10%</b>
Capital Reserve Contributions (7)	0		13,246	1.2%	13,246	N/A
<b>Total Operating Expense</b>	<b>1,103,048</b>		<b>1,115,194</b>	<b>100.0%</b>	<b>12,146</b>	<b>1.10%</b>



### 2021 Proposed Operating Budget Notes

- 1: Water/sewer, electricity, grounds maintenance, fertilization/weeds/insect control, grounds/irrigation repairs, playground maintenance, lighting maintenance, snow removal, city encroachment fees. \$100K in Parks and Open Space Strategic Planning included in 2021 Reserve Fund Budget.
- 2: Plant / shrub replacement only. All tree maintenance, treatment, pruning, and winter watering included in 2021 Reserve Fund budget.
- 3: HOA management (MSI), Executive Director, office and storage rent, administrative costs
- 4: Communications (website, eNews, social media, print), postage, holiday lighting, community events, community grants.
- 5: A/R processing fees, lien processing fees, reimbursed lien fee income, audit / tax preparation, taxes, legal fees, legal collection fees, bad debt, insurance, insurance deductibles, operating fund contingency
- 6: LCMA hiring expert consultants, surveyors, and architect / landscape designer services to identify alley maintenance, re-write LCMA governing documents, and plan reserve study projects.
- 7: Independent studies show reserve fund will remain close to fully funded without substantial contributions in 2021. Alley Reserve contributions of \$93,060 will be made directly from the Alley Individual Purpose Assessment.