

# The Dana Point Condo (#0554)

## 2014 Annual Budget

| GL                      | DESCRIPTION               | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | NOTES   |
|-------------------------|---------------------------|----------------|----------------|--------------|----------------|----------------------------------|---------------------------------|---|
| <b>OPERATING BUDGET</b> |                           |                |                |              |                |                                  |                                 |   |
| 4010                    | Assessments - Regular     | (1,305,474)    | (1,258,300)    | (1,258,300)  | (1,308,167)    | (49,867)                         | 7.5%                            | 7.52 % increase from 2013 assessments   |
| 4011                    | Assessment, Reserve       | (499,824)      | (485,174)      | (485,174)    | (505,000)      | (19,826)                         | 4.1%                            | 2014: Reserve funds collected for future capital expenses currently as part of assessments charged to owners                  |
| 4012                    | Bank Loan Payment         | (21,000)       | (140,650)      | (140,650)    | (212,573)      | (71,923)                         | 51.1%                           | 2014: Reserve funds collected for repayment of loan currently as part of assessments charged to owners                        |
| 4013                    | Community Assn Fees       | (4,800)        | 0              | 0            | 0              | 0                                |                                 | Do Not Use  |
| 4020                    | Late Charges              | (4,100)        | (3,600)        | (4,920)      | (4,000)        | 920                              | -18.7%                          | Late fees for assessments<br>2014: expect new owners to take place of delinquent/foreclosures reducing late fees for the year |
| 4021                    | NSF Fees                  | (210)          | 0              | 0            | 0              | 0                                |                                 | Do not budget- charged back to owners   |
| 4030                    | Move In/Move Out Fees     | (7,175)        | (10,000)       | (7,669)      | (7,500)        | 169                              | -2.2%                           | 2014: Tenant/owner move fees  |
| 4050                    | Violation Income          | (1,200)        | (600)          | (2,850)      | (1,000)        | 1,850                            | -64.9%                          | 2014: Owner violation fines collected   |
| 4060                    | Locker Rental Income      | 0              | (15,360)       | (14,230)     | (14,760)       | (530)                            | 3.7%                            | Storage locker rental income 2014: increase to \$35.00 per locker per month for slight increase in income                     |
| 4070                    | Storage Space Rent        | (12,330)       | 0              | 0            | 0              | 0                                |                                 | Do Not Use  |
| 4110                    | Laundry Room Income       | (53,847)       | (52,000)       | (55,306)     | (55,312)       | (6)                              | 0.0%                            | 2014: Laundry income from building machines   |
| 4111                    | Fitness Room Income       | 0              | 0              | (180)        | (100)          | 80                               | -44.4%                          | 2014: Swimming pool pass replacements   |
| 4130                    | Key Charges               | (4,145)        | 0              | (1,333)      | (800)          | 533                              | -40.0%                          | 2014: Owner building key purchases  |
| 4140                    | Unit Rental Income        | (66,360)       | (67,260)       | (66,760)     | (68,210)       | (1,450)                          | 2.2%                            | 2014: assuming \$25 increase at lease renewal for 2014  |
| 4170                    | Maintenance Service Inc.  | (75)           | 0              | 0            | 0              | 0                                |                                 | Do Not Use  |
| 4330                    | PAL/Transfer Fees         | (7,750)        | (6,000)        | 0            | 0              | 0                                |                                 | 2014: closings done at LMS  |
| 4610                    | Checking Account Interest | (30)           | (100)          | 0            | 0              | 0                                |                                 | No operating account interest   |
| 4995                    | Miscellaneous Income      | (708)          | (1,000)        | (844)        | (750)          | 94                               | -11.1%                          | 2014: Garage door openers and bus passes  |
| 4996                    | Miscellaneous Income      | (225)          | 0              | 0            | 0              | 0                                |                                 | Do Not Use  |
| 7011                    | On Site Manager           | 0              | 0              | 58,264       | 65,345         | 7,081                            | 12.2%                           | 2014: Payroll, benefits, tax and all fees for Property Manager - was previously lumped with management contract               |

# The Dana Point Condo (#0554)

## 2014 Annual Budget

| GL   | DESCRIPTION              | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | NOTES   |
|------|--------------------------|----------------|----------------|--------------|----------------|----------------------------------|---------------------------------|---|
| 7012 | Assistant Manager        | 0              | 0              | 32,865       | 40,000         | 7,135                            | 21.7%                           | 2014: Payroll, benefits, tax and all fees for Asst. Manager - was previously lumped with management contract  |
| 7020 | Maintenance Salaries     | 131,634        | 133,603        | 133,356      | 0              | (133,356)                        | -100.0%                         | 2014: Moved to individual lines below   |
| 7021 | Maintenance Supervisor   | 0              | 0              | 0            | 56,665         | 56,665                           | New                             | Sam's payroll 2014: budgeted 3% increase beginning Jan. 1   |
| 7022 | Asst. Maint. Supervisor  | 0              | 0              | 0            | 45,660         | 45,660                           | New                             | Juan's payroll 2014: budgeted 3% increase beginning Jan. 1  |
| 7023 | Maintenance Man          | 0              | 0              | 0            | 35,439         | 35,439                           | New                             | Manuel's payroll 2014: budgeted 3% increase beginning Jan. 1  |
| 7065 | Payroll Process Fees     | 1,035          | 864            | 2,266        | 1,826          | (440)                            | -19.4%                          | 2014: ADP pass though payroll processing fees   |
| 7082 | FICA Tax Expense         | 9,828          | 10,800         | 10,328       | 10,539         | 211                              | 2.0%                            | 2014: Total FICA for Association employees  |
| 7083 | Federal Unemployment Tax | 189            | 500            | 127          | 126            | (1)                              | -0.8%                           | 2014: Total FUDA for Association employees  |
| 7084 | State Unemployment Tax   | 224            | 500            | 1,346        | 252            | (1,094)                          | -81.3%                          | 2014: Total SUTA for association employees  |
| 7085 | Workers Comp Insurance   | 2,038          | 5,600          | 7,684        | 8,452          | 768                              | 10.0%                           | 2014: Work Comp Insurance with projected 10% increase for renewal   |
| 7086 | Medical/Life Insurance   | 11,663         | 7,600          | 11,110       | 8,032          | (3,078)                          | -27.7%                          | 2013: paid December 2012 premium in January 2014: (\$3,825) for Jan. - June 2014 and figure 10% increase for 7/1/14 renewal (\$4,207) Jul/ - Dec. for total |
| 7210 | Electricity              | 76,544         | 90,500         | 83,428       | 90,000         | 6,572                            | 7.9%                            | 2014: PM secured locked rate contract per kWh - total budget amount based on warmer summer weather predictions for 2014                                     |
| 7221 | Water                    | 107,334        | 115,000        | 124,059      | 129,950        | 5,891                            | 4.7%                            | 2014: Village of Arlington Heights projects 5% increase   |
| 7230 | Gas                      | 72,059         | 101,970        | 92,989       | 97,000         | 4,011                            | 4.3%                            | 2014: Locked Therm rate through 2014 dependent on usage - expect colder winter  |
| 7410 | Scavenger Services       | 33,372         | 41,604         | 34,599       | 37,759         | 3,160                            | 9.1%                            | 2014: budgeted 10% rate increase for April 2014   |
| 7412 | Compactor/Trash Chute    | 1,928          | 4,000          | 3,728        | 4,000          | 272                              | 7.3%                            | 2014: budget Quarterly Maintenance plus repairs as needed   |

# The Dana Point Condo (#0554)

## 2014 Annual Budget

| GL   | DESCRIPTION               | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | NOTES   |
|------|---------------------------|----------------|----------------|--------------|----------------|----------------------------------|---------------------------------|---|
| 7420 | Exterminating             | 4,147          | 9,220          | 3,376        | 3,700          | 324                              | 9.6%                            | 2014: Increase to \$144/monthly service plus \$1,790 exterior ground treatment for all bldgs. per year.   |
| 7431 | Cleaning Contract         | 90,954         | 73,080         | 79,287       | 85,000         | 5,713                            | 7.2%                            | 2013: contract \$78,516 per year<br>2014: estimated increase for cleaning due to increased services requested for contract renewal (tile cleaning, increase trash removal, etc.)  |
| 7433 | Carpet Cleaning           | 29,350         | 25,582         | 16,954       | 17,536         | 582                              | 3.4%                            | 2013: \$13,349 for hall carpet 2x yearly, \$1,226 for 2x yearly mat cleaning, \$2,160 monthly mat cleaning, \$5,099 yearly tile cleaning plus call backs for new stains<br>2014: - no tile cleaning-projected contract rates \$13,349 for halls 2x yearly, \$1,226 for 2x yearly mat cleaning, \$2,400 monthly mat cleaning plus call backs |
| 7450 | Fire Prevention           | 26,335         | 22,710         | 22,711       | 21,000         | (1,711)                          | -7.5%                           | 2014: reduction for inspection services - PM secured lower monitoring fees with no phone lines - hoses will not need to be done in 2014 to reduce overall budget  |
| 7462 | Elevator Repairs/Services | 32,036         | 33,912         | 18,830       | 32,505         | 13,675                           | 72.6%                           | 2013: contract regular maintenance with overtime charged for call backs. 2014: budgeted for increase to 24 hour contract with no overtime and small repairs not covered under contract  |
| 7465 | Generator Services        | 0              | 0              | (0)          | 2,800          | 2,800                            | New                             | 2013: previously lumped in another category 2014: Generator maintenance contract plus repairs as needed   |
| 7470 | Security Services         | 11,666         | 12,000         | 0            | 0              | 0                                |                                 | 2014: Will not use service  |
| 7475 | All Uniform Expenses      | 994            | 1,200          | 1,187        | 1,200          | 13                               | 1.1%                            | 2014: Uniforms for maintenance men - kept same budgeted amount  |

# The Dana Point Condo (#0554)

## 2014 Annual Budget

| GL   | DESCRIPTION                | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | NOTES  |
|------|----------------------------|----------------|----------------|--------------|----------------|----------------------------------|---------------------------------|--|
| 7495 | Other Building Services    | 9,273          | 4,504          | 3,508        | 1,200          | (2,308)                          | -65.8%                          | 2013: fitness equip maint..., generator maint.. lumped together<br>2014: generator maint... moved to separate line, reduced overall budget for misc. building service/maint.. not contracted                         |
| 7607 | Maintenance Supplies       | 4,794          | 4,200          | 3,391        | 4,000          | 609                              | 18.0%                           | Maintenance equipment purchases and various hardware needed (emergency lights, bolts, screws, air gun replacement) 2014: increase in work order repairs/maintenance items  |
| 7610 | Plumbing Repairs/Supplies  | 17,877         | 15,120         | 24,738       | 20,000         | (4,738)                          | -19.2%                          | 2013: increased service to do rod hors. and vert. rod for first time with plumbing repairs - large sewer/drain repairs expected 2014: \$10,995 for horizontal. bldg. rod only plus repairs, boiler repairs, supplies |
| 7620 | Electric Repairs/Supplies  | 5,444          | 4,800          | 5,716        | 5,800          | 84                               | 1.5%                            | 2014: Wiring repairs, fixtures, ballasts, replacements - seen increase in replacement of old exit signs  |
| 7621 | Lights, Bulbs and Tubes    | 4,659          | 5,004          | 6,553        | 5,500          | (1,053)                          | -16.1%                          | 2014: Light bulbs only for all fixtures - increase in overall budget amount for removal of incandescent  |
| 7632 | HVAC Repairs/Supplies      | 17,754         | 10,000         | 8,342        | 10,000         | 1,658                            | 19.9%                           | 2014: HVAC Maintenance contract plus repairs and filters needed - does not include unit replacements   |
| 7642 | Doors, Locks & Keys        | 5,298          | 5,000          | 4,711        | 5,200          | 489                              | 10.4%                           | 2014: Building Key duplicates, door repairs, lock repairs, door closers  |
| 7645 | Garage Door Repairs        | 0              | 0              | (0)          | 5,000          | 5,000                            | New                             | 2014: garage door replacement, opener repairs previously lumped in garage repairs  |
| 7646 | Building Equipment Repairs | 1,936          | 5,990          | 2,566        | 2,500          | (66)                             | -2.6%                           | 2014: Intercom repairs - project 1 panel shortage  |
| 7647 | Garage Maintenance/Repairs | 21,233         | 24,000         | 17,988       | 20,000         | 2,012                            | 11.2%                           | 2014: Garage remote purchases, water proofing, garage cleaning - expect high waterproofing costs for 2014 to stop seepage  |

# The Dana Point Condo (#0554)

## 2014 Annual Budget

| GL   | DESCRIPTION                    | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | NOTES  |
|------|--------------------------------|----------------|----------------|--------------|----------------|----------------------------------|---------------------------------|--|
| 7651 | Interior Painting & Decorating | 1,335          | 4,020          | 4,169        | 20,000         | 15,831                           | 379.7%                          | 2013: hallway and unit drywall, paint, restoration for unit damage, 2014: budget for lobby wallpaper removal in all buildings                            |
| 7652 | Exterior Painting & Decorating | 0              | 5,000          | 2,081        | 2,750          | 669                              | 32.1%                           | 2014: painting supplies for exterior planting beds and retaining walls need painting   |
| 7661 | Masonry & Tuckpointing         | 6,268          | 40,000         | 3,000        | 60,000         | 57,000                           | 1900.0%                         | 2014: phased plan to tuck point and waterproofing of one building per year plus emergency repairs  |
| 7670 | Roof Repairs & Supplies        | 26,360         | 17,000         | 17,000       | 17,000         | 0                                | 0.0%                            | 2014: Budgeted for yearly inspection with minor repairs needed for leaks - does not include any roof repairs as part of balcony project                  |
| 7693 | Cleaning Supplies              | 2,877          | 2,000          | 1,780        | 2,000          | 220                              | 12.4%                           | 2014: Special tile cleaner, garbage bags and misc. supplies  |
| 7805 | Contract Landscape Services    | 85,600         | 93,800         | 64,800       | 77,260         | 12,460                           | 19.2%                           | 2014: Based on Acres proposed price for landscape contract only - will not include snow removal moved to separate line                                   |
| 7810 | Landscape - Additional         | 12,235         | 25,110         | 8,672        | 20,000         | 11,328                           | 130.6%                          | 2014: flowers, seeding, bldg. entrance redesign and final plantings  |
| 7811 | Trees & Bushes                 | 19,767         | 17,295         | 17,021       | 22,235         | 5,214                            | 30.6%                           | 2014: Tree contract plus \$5,000 for additional treatments and plantings   |
| 7840 | Snow & Ice Removal             | 5,200          | 0              | 0            | 0              | 0                                |                                 | Do Not Use   |
| 7841 | Normal Snow Removal            | 0              | 0              | (0)          | 26,000         | 26,000                           | New                             | 2014: Snow removal contract only   |
| 7843 | Ice Control                    | 10,860         | 30,000         | 63,080       | 37,000         | (26,080)                         | -41.3%                          | 2013: includes snow and ice control<br>2014: Salting only, charged at flat rate \$250 for ramps, \$965 for walkways, \$1,250 for roadways/lots per event |
| 7870 | Streets & Sidewalks            | 0              | 10,000         | 6,772        | 10,000         | 3,228                            | 47.7%                           | 2013: Seal Coating and striping<br>2014: crack fill main road and patching asphalt   |
| 7880 | Concrete Repair/Replacement    | 1,795          | 5,000          | 0            | 6,700          | 6,700                            | New                             | 2014: 1 new trench drain per year planned replacement, plus emergency concrete repairs   |
| 7890 | Vehicle Expenses               | 164            | 900            | 375          | 450            | 75                               | 20.0%                           | 2014: Oil change and gas for cart  |
| 8012 | Pool Contract                  | 25,077         | 28,604         | 25,136       | 25,550         | 414                              | 1.6%                            | 2014: pool contract only, estimated increase for renewal 1.6%  |

# The Dana Point Condo (#0554)

## 2014 Annual Budget

| GL     | DESCRIPTION                     | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | NOTES   |
|--------|---------------------------------|----------------|----------------|--------------|----------------|----------------------------------|---------------------------------|---|
| 8020   | Pool Chemicals                  | 601            | 1,500          | 0            | 0              | 0                                |                                 | 2013: Pool chemicals are provided by contractor 2014: no chemicals needed if renew with Chicagoland   |
| 8050   | Pool Repairs & Supplies         | 4,288          | 2,000          | 2,862        | 2,500          | (362)                            | -12.6%                          | Pool repairs and pool equipment only, 2014: new hoses, power washing, repairs to boiler, patio and pool - does not include new surfacing (reserve expense)    |
| 8095   | Other Pool Expenses             | 35             | 1,200          | 500          | 3,000          | 2,500                            | 500.0%                          | 2014: new pool furniture (umbrellas, tables, chairs)  |
| 8116   | Fitness Equipment               | 0              | 0              | (0)          | 4,500          | 4,500                            | New                             | Fitness Room equipment/maintenance/supplies, 2013: lumped in other line item, 2014: budget elliptical replacement and maintenance contract                    |
| 8505   | Management Contract             | 142,593        | 154,000        | 40,800       | 40,800         | 0                                | 0.0%                            | 2014: Contract rate for management(staff salaries separate for budgeting)   |
| 8520   | Legal Services (Residents)      | 8,070          | 0              | 4,696        | 5,000          | 304                              | 6.5%                            | 2014: Legal chargebacks for collection activity, should equal reimbursement from owners   |
| 8520-5 | Legal Services Reimb (Resident) | (7,604)        | 0              | (4,696)      | (5,000)        | (304)                            | 6.5%                            | 2014: Owner reimbursements from legal collection fees charged back  |
| 8521   | Legal Services (Assn)           | 5,860          | 9,000          | 7,529        | 6,000          | (1,529)                          | -20.3%                          | 2014: Retainer Fee for legal services only  |
| 8530   | Audit & Financial Services      | 8,675          | 9,000          | 9,500        | 5,050          | (4,450)                          | -46.8%                          | Audit and tax prep, 2014: PM secured lower rate on audit  |
| 8540   | Professional Services           | 279            | 0              | 6,500        | 6,500          | 0                                | 0.0%                            | Engineering evaluation, project management, permit drawings 2013: concrete header evaluation and project management 2014: Possible roof/partial reserve study |
| 8545   | Secretary/Minutes               | 900            | 0              | 0            | 0              | 0                                |                                 | 2014: Board Secretary is taking minutes-do not use  |
| 8550   | General Office Expenses         | 4,180          | 4,500          | 3,598        | 4,500          | 902                              | 25.1%                           | 2014: Office supplies, stationary products, ink, toner, etc.  |
| 8551   | Photocopy/Reproduction          | 2,190          | 3,420          | 2,162        | 2,000          | (162)                            | -7.5%                           | 2014: Copy charges, copier maintenance, printing services   |
| 8552   | Postage Expenses                | 3,492          | 2,700          | 2,753        | 3,000          | 247                              | 9.0%                            | 2014: Postage meter lease and postage expense   |
| 8553   | Coupon Books/Lockbox Fee        | 0              | 0              | (30)         | 0              | 30                               | -100.0%                         | 2014: Coupon books included in management contract  |

# The Dana Point Condo (#0554)

## 2014 Annual Budget

| GL   | DESCRIPTION                  | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | NOTES  |
|------|------------------------------|----------------|----------------|--------------|----------------|----------------------------------|---------------------------------|--|
| 8554 | Bank Charges                 | 4,221          | 4,008          | 629          | 0              | (629)                            | -100.0%                         | 2014: Minimal expenses from bank   |
| 8556 | Dues, Fees, & Licenses       | 1,410          | 3,954          | 4,941        | 4,200          | (741)                            | -15.0%                          | 2014: Illinois Mgmt. License fee (\$50+\$1/unit), Boiler License, pool license, construction permits, Registered agent/NFP fees, State Inspections (fire/elevator) , software licenses |
| 8557 | Office Equipment Expense     | 6,143          | 6,300          | 7,345        | 18,000         | 10,655                           | 145.1%                          | 2014: Copier lease, equipment purchases/computer software - budgeted for new copier purchase instead of lease  |
| 8560 | Telephone/Pager Expense      | 33,292         | 16,040         | 25,318       | 15,000         | (10,318)                         | -40.8%                          | All telephone lines 2014: PM secured reduction for locked rate for all office/clubhouse, intercom, and elevator lines, no bldg.. fire panel phone lines needed                         |
| 8562 | Renting Expense              | 1,367          | 2,500          | 1,044        | 2,500          | 1,456                            | 139.5%                          | 2013: minimal expenses - all units renewed leases 2014: Credit checks, leasing, and advertising for association rental units - project 1-2 unit turnover                               |
| 8565 | Internet/Website Expense     | 0              | 0              | 1,329        | 1,422          | 93                               | 7.0%                            | Office internet access 2014: project 10% increase in July for renewal  |
| 8570 | Community Newsletter         | 0              | 1,800          | 750          | 0              | (750)                            | -100.0%                         | 2014: Newsletters to be completed in office  |
| 8575 | Promotions/Social Activity   | 985            | 1,200          | 19           | 0              | (19)                             | -100.0%                         | 2014: No social activities planned   |
| 8580 | Income Taxes                 | 3,988          | 0              | 0            | 0              | 0                                |                                 | Do not use   |
| 8592 | Bad Debt Write-Offs          | 30,136         | 12,000         | 13,548       | 5,000          | (8,548)                          | -63.1%                          | 2014: reduction in write offs due to aggressive collection actions for delinquent owners.  |
| 8595 | Other Administrative Expense | 284            | 500            | 961          | 500            | (461)                            | -48.0%                          | Misc. office expenses  |
| 8601 | Provision for NOI Shortfall  | 0              | 0              | 0            | 0              | 0                                | New                             | This account is used if projecting a shortfall in NOI for 2013.  |
| 8602 | Provision for Loan Repayment | 0              | 0              | 0            | 0              | 0                                | New                             | This account is used if the Association intends to pay back the loan from reserves from previous year(s).  |
| 8603 | Provision for Operating Cash | 0              | 0              | 0            | 0              | 0                                | New                             | This account is used if the Association is consistently low on operating cash for monthly bills.   |

# The Dana Point Condo (#0554)

## 2014 Annual Budget

| GL                    | DESCRIPTION                         | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | NOTES  |
|-----------------------|-------------------------------------|----------------|----------------|--------------|----------------|----------------------------------|---------------------------------|--|
| 8604                  | Provision for Delinquency           | 0              | 0              | 0            | 0              | 0                                | New                             | This account is used if the Association has high delinquency rates that are affecting operating cash because the assessments are not being collected in a timely manner. |
| 8605                  | Provision for Other/AP              | 0              | 0              | 0            | 0              | 0                                | New                             | This account is used if the Association has an unusually large amount of outstanding accounts payable in 2013.   |
| 8710                  | All Association Insurance           | 120,979        | 131,806        | 125,966      | 135,196        | 9,230                            | 7.3%                            | 2014 : Budgeted 5% increase in premiums for May renewal  |
| 8801                  | Budgeted Trsf to Res                | 4,800          | 485,174        | 485,174      | 505,000        | 19,826                           | 4.1%                            | 2014: recommended Reserve transfer for reserve funding from last reserve study - item can be split into 2 categories to start a new roof reserve line                    |
| 8802                  | Budgeted Trsf to Res                | 499,824        | 0              | 0            | 0              | 0                                |                                 |  |
| 8806                  | Interest Transfer to Reserve        | 1,021          | 11,949         | 11,949       | 19,864         | 7,915                            | 66.2%                           | 2014: interest on loan collected from owners to be paid to reserves  |
| 8807                  | Loan Payment                        | 0              | 128,702        | 128,702      | 192,709        | 64,007                           | 49.7%                           | 2014: loan payment collected from owners to be paid to reserves  |
| <b>RESERVE BUDGET</b> |                                     |                |                |              |                |                                  |                                 |  |
| 9001                  | Budgeted Operating Fund to Reserves | (4,800)        | (485,174)      | (485,174)    | (505,000)      | (19,826)                         | 4.1%                            | Reserve contribution for capital improvements 2014: based on current reserve study recommended contribution  |
| 9002                  | Bdgt Oper Fnd to Res                | (499,824)      | 0              | 0            | 0              | 0                                |                                 |  |
| 9005                  | Bdgt Oper Fnd to Res                | 0              | (140,650)      | (140,650)    | (212,573)      | (71,923)                         | 51.1%                           | 2014: transfer from operating to reserves for loan payment   |
| 9025                  | Reserve Interest Inc                | (490)          | (800)          | (32)         | 0              | 32                               | -100.0%                         | 2014: Minimal or no interest on reserve checking accounts  |
| 9041                  | Loan Proceeds                       | 0              | 0              | (378,700)    | 0              | 378,700                          | -100.0%                         | 2014: assume full loan funds drawn in full in 2013 - no additional loan funds available in 2014  |
| 9101                  | Bank Service Fees                   | 0              | 0              | 25           | 25             | 0                                | 0.0%                            | 2014: reserve checks, service fees, deposit slips  |
| 9150                  | Reserve Study                       | 4,650          | 5,000          | 0            | 0              | 0                                |                                 |  |
| 9160                  | Building Capital Expenses           | 99,280         | 0              | 0            | 0              | 0                                |                                 |  |
| 9160-1                | Building Capital Expenses           | 0              | 12,000         | 0            | 0              | 0                                |                                 |  |
| 9160-2                | Trash System                        | 0              | 8,000          | 0            | 0              | 0                                |                                 |  |
| 9160-3                | Rental Units                        | 0              | 2,400          | 0            | 0              | 0                                |                                 |  |



# The Dana Point Condo (#0554)

## 2014 Annual Budget

| GL     | DESCRIPTION                          | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | NOTES   |
|--------|--------------------------------------|----------------|----------------|--------------|----------------|----------------------------------|---------------------------------|---|
| 9160-4 | Fitness Center                       | 0              | 2,000          | 831          | 0              | (831)                            | -100.0%                         | 2014: Moved to operating expense  |
| 9162   | Masonry/Tuckpointing Capital Expense | 4,938          | 10,000         | 4,169        | 0              | (4,169)                          | -100.0%                         | 2014: budgeted in operating   |
| 9163-4 | Carpentry-Door Replacement           | 5,875          | 5,800          | 2,419        | 0              | (2,419)                          | -100.0%                         |   |
| 9163-6 | Carpentry-Balcony Repair/Replacement | 782,795        | 220,000        | 91,574       | 175,000        | 83,426                           | 91.1%                           | 2014: Allocated balcony project expense limit for Phase 2 construction              |
| 9164   | Concrete Capital Expense             | 0              | 3,500          | 1,456        | 27,835         | 26,379                           | 1811.7%                         | 2014: reserve study recommendation  |
| 9168   | HVAC Capital Expense                 | 12,166         | 12,000         | 43,643       | 32,000         | (11,643)                         | -26.7%                          | 2014: Replacement of 2 cores and 1 RTU or 2 RTUs and 1 core unit                    |
| 9169   | Plumbing Capital Expense             | 0              | 40,000         | 16,669       | 20,000         | 3,331                            | 20.0%                           | 2014: large pipe replacements   |
| 9169-3 | Plumbing-Water Heaters               | 0              | 6,000          | 2,500        | 0              | (2,500)                          | -100.0%                         |   |
| 9170   | Roof Capital Expense                 | 283,694        | 0              | 0            | 5,175          | 5,175                            | New                             | 2014: Reserve study recommendation  |
| 9173   | Asphalt Capital Expense              | 4,694          | 100,000        | 41,669       | 46,150         | 4,481                            | 10.8%                           | 2014: Replacement of parking lot projected in reserve study                         |
| 9174   | Electrical Capital Expense           | 0              | 1,500          | 0            | 0              | 0                                |                                 |   |
| 9174-1 | Electrical-Fixture Replacement       | 0              | 1,500          | 0            | 0              | 0                                |                                 |   |
| 9180   | Swimming Pool Capital Expense        | 12,557         | 2,400          | 0            | 50,000         | 50,000                           | New                             | 2014: plaster pool surface with new edging and paint recommended                    |
| 9182   | Garage Capital Expense               | 4,245          | 4,600          | 0            | 0              | 0                                |                                 |   |
| 9184   | Capital Loan Payment                 | 1,021          | 11,949         | 11,615       | 19,864         | 8,249                            | 71.0%                           | 2014: expected loan interest repayment on current loan conversion terms             |
| 9184-P | Loan Principal Pymt                  | 0              | 128,702        | 75,075       | 192,709        | 117,634                          | 156.7%                          | 2014: expected Principal loan repayment portion under current loan conversion terms |

# The Dana Point Condo (#0554)

## 2014 Budget Summary Report

|                           | 2012<br>ACTUAL   | 2013<br>BUDGET   | 2013<br>PROJ     | 2014<br>BUDGET   | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | VAR \$<br>('14 BUD-<br>'13 BUD) | VAR %<br>('14 BUD-<br>'13 BUD) | % OF<br>TOTAL<br>INCOME |
|---------------------------|------------------|------------------|------------------|------------------|----------------------------------|---------------------------------|---------------------------------|--------------------------------|-------------------------|
| <b>INCOME</b>             |                  |                  |                  |                  |                                  |                                 |                                 |                                |                         |
| Assessment Income         | 1,305,474        | 1,258,300        | 1,258,300        | 1,308,167        | 49,867                           | 4.0%                            | 49,867                          | 4.0%                           | 60.1%                   |
| Other Income              | 683,779          | 781,744          | 779,916          | 870,005          | 90,089                           | 11.6%                           | 88,261                          | 11.3%                          | 39.9%                   |
| <b>Total Income</b>       | <b>1,989,253</b> | <b>2,040,044</b> | <b>2,038,216</b> | <b>2,178,172</b> | <b>139,956</b>                   | <b>6.9%</b>                     | <b>138,128</b>                  | <b>6.8%</b>                    | <b>100.0%</b>           |
| <b>EXPENSES</b>           |                  |                  |                  |                  |                                  |                                 |                                 |                                |                         |
| Payroll                   | 156,611          | 159,467          | 257,346          | 272,336          | 14,990                           | 5.8%                            | 112,869                         | 70.8%                          | 12.5%                   |
| Utilities                 | 255,937          | 307,470          | 300,476          | 316,950          | 16,474                           | 5.5%                            | 9,480                           | 3.1%                           | 14.6%                   |
| Building Services         | 240,055          | 227,812          | 184,180          | 206,700          | 22,520                           | 12.2%                           | (21,112)                        | -9.3%                          | 9.5%                    |
| Repairs & Maintenance     | 115,835          | 142,134          | 102,035          | 179,750          | 77,715                           | 76.2%                           | 37,616                          | 26.5%                          | 8.3%                    |
| Common Area               | 135,621          | 182,105          | 160,720          | 199,645          | 38,925                           | 24.2%                           | 17,540                          | 9.6%                           | 9.2%                    |
| Swimming Pool             | 30,001           | 33,304           | 28,498           | 31,050           | 2,552                            | 9.0%                            | (2,254)                         | -6.8%                          | 1.4%                    |
| Community Facilities      | -                | -                | (0)              | 4,500            | 4,500                            | New                             | 4,500                           | New                            | 0.2%                    |
| General Office            | 250,461          | 230,922          | 128,696          | 114,472          | (14,224)                         | -11.1%                          | (116,450)                       | -50.4%                         | 5.3%                    |
| Provision for Contingency | -                | -                | -                | 0                | 0                                | New                             | 0                               | New                            | 0.0%                    |
| Insurance                 | 120,979          | 131,806          | 125,966          | 135,196          | 9,230                            | 7.3%                            | 3,390                           | 2.6%                           | 6.2%                    |
| Transfer to Reserves      | 504,624          | 485,174          | 485,174          | 505,000          | 19,826                           | 4.1%                            | 19,826                          | 4.1%                           | 23.2%                   |
| Operating Loan            | 1,021            | 140,651          | 140,651          | 212,573          | 71,922                           | 51.1%                           | 71,922                          | 51.1%                          | 9.8%                    |
| <b>Total Expense</b>      | <b>1,811,145</b> | <b>2,040,845</b> | <b>1,913,742</b> | <b>2,178,172</b> | <b>264,430</b>                   | <b>13.8%</b>                    | <b>137,327</b>                  | <b>6.7%</b>                    | <b>100.0%</b>           |
| <b>NET PROFIT/(LOSS)</b>  | <b>178,108</b>   | <b>(801)</b>     | <b>124,474</b>   | <b>-</b>         | <b>(124,474)</b>                 |                                 | <b>801</b>                      |                                |                         |

# The Dana Point Condo (#0554)

## 2014 Budget Monthly Allocation

| GL                      | DESC                           | JAN       | FEB       | MAR       | APR       | MAY       | JUN       | JUL       | AUG       | SEP       | OCT       | NOV       | DEC       | BUDGET TOTAL |
|-------------------------|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------------|
| <b>OPERATING BUDGET</b> |                                |           |           |           |           |           |           |           |           |           |           |           |           |              |
| 4010                    | Assessments - Regular          | (109,014) | (109,014) | (109,014) | (109,014) | (109,014) | (109,014) | (109,014) | (109,014) | (109,014) | (109,014) | (109,014) | (109,013) | (1,308,167)  |
| 4011                    | Assessment, Reserve            | (42,083)  | (42,083)  | (42,083)  | (42,083)  | (42,083)  | (42,083)  | (42,083)  | (42,083)  | (42,083)  | (42,083)  | (42,083)  | (42,087)  | (505,000)    |
| 4012                    | Bank Loan Payment              | (17,714)  | (17,714)  | (17,714)  | (17,714)  | (17,714)  | (17,714)  | (17,714)  | (17,714)  | (17,714)  | (17,714)  | (17,714)  | (17,719)  | (212,573)    |
| 4013                    | Community Assn Fees            | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 4020                    | Late Charges                   | (333)     | (333)     | (333)     | (333)     | (333)     | (333)     | (333)     | (333)     | (333)     | (333)     | (333)     | (337)     | (4,000)      |
| 4021                    | NSF Fees                       | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 4030                    | Move In/Move Out Fees          | (625)     | (625)     | (625)     | (625)     | (625)     | (625)     | (625)     | (625)     | (625)     | (625)     | (625)     | (625)     | (7,500)      |
| 4050                    | Violation Income               | (83)      | (83)      | (83)      | (83)      | (83)      | (83)      | (83)      | (83)      | (83)      | (83)      | (83)      | (87)      | (1,000)      |
| 4060                    | Locker Rental Income           | (1,230)   | (1,230)   | (1,230)   | (1,230)   | (1,230)   | (1,230)   | (1,230)   | (1,230)   | (1,230)   | (1,230)   | (1,230)   | (1,230)   | (14,760)     |
| 4070                    | Storage Space Rent             | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 4110                    | Laundry Room Income            | (4,609)   | (4,609)   | (4,609)   | (4,609)   | (4,609)   | (4,609)   | (4,609)   | (4,609)   | (4,609)   | (4,609)   | (4,609)   | (4,613)   | (55,312)     |
| 4111                    | Fitness Room Income            | (8)       | (8)       | (8)       | (8)       | (8)       | (8)       | (8)       | (8)       | (8)       | (8)       | (8)       | (12)      | (100)        |
| 4130                    | Key Charges                    | (50)      | (50)      | (50)      | (50)      | (100)     | (100)     | (100)     | (100)     | (50)      | (50)      | (50)      | (50)      | (800)        |
| 4140                    | Unit Rental Income             | (5,630)   | (5,630)   | (5,630)   | (5,630)   | (5,655)   | (5,655)   | (5,680)   | (5,705)   | (5,730)   | (5,755)   | (5,755)   | (5,755)   | (68,210)     |
| 4170                    | Maintenance Service Inc.       | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 4330                    | PAL/Transfer Fees              | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 4610                    | Checking Account Interest      | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 4995                    | Miscellaneous Income           | (63)      | (63)      | (63)      | (63)      | (63)      | (63)      | (63)      | (63)      | (63)      | (63)      | (63)      | (57)      | (750)        |
| 4996                    | Miscellaneous Income           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 7011                    | On Site Manager                | 5,576     | 5,576     | 5,576     | 4,790     | 5,576     | 5,576     | 5,576     | 5,576     | 5,576     | 4,795     | 5,576     | 5,576     | 65,345       |
| 7012                    | Assistant Manager              | 3,233     | 3,233     | 3,233     | 3,835     | 3,233     | 3,233     | 3,233     | 3,233     | 3,233     | 3,835     | 3,233     | 3,233     | 40,000       |
| 7020                    | Maintenance Salaries           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 7021                    | Maintenance Supervisor         | 4,722     | 4,722     | 4,722     | 4,722     | 4,722     | 4,722     | 4,722     | 4,722     | 4,722     | 4,722     | 4,722     | 4,722     | 56,665       |
| 7022                    | Asst. Maint. Supervisor        | 3,517     | 3,517     | 5,244     | 3,517     | 3,517     | 3,517     | 3,517     | 5,244     | 3,517     | 3,517     | 3,517     | 3,517     | 45,660       |
| 7023                    | Maintenance Man                | 2,753     | 2,753     | 4,054     | 2,703     | 2,703     | 2,753     | 2,753     | 4,105     | 2,703     | 2,753     | 2,703     | 2,703     | 35,439       |
| 7065                    | Payroll Process Fees           | 152       | 152       | 152       | 152       | 152       | 152       | 152       | 152       | 152       | 152       | 152       | 152       | 1,826        |
| 7082                    | FICA Tax Expense               | 841       | 841       | 1,073     | 837       | 837       | 841       | 841       | 1,076     | 837       | 841       | 837       | 837       | 10,539       |
| 7083                    | Federal Unemployment Tax       | 66        | 51        | 9         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 126          |
| 7084                    | State Unemployment Tax         | 71        | 71        | 83        | 22        | 4         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 252          |
| 7085                    | Workers Comp Insurance         | 2,113     | 0         | 0         | 2,113     | 0         | 0         | 2,113     | 0         | 0         | 2,113     | 0         | 0         | 8,452        |
| 7086                    | Medical/Life Insurance         | 730       | 545       | 730       | 545       | 730       | 582       | 790       | 600       | 790       | 600       | 790       | 600       | 8,032        |
| 7210                    | Electricity                    | 7,700     | 7,500     | 7,200     | 7,000     | 7,000     | 7,000     | 7,000     | 7,000     | 7,500     | 7,900     | 8,200     | 9,000     | 90,000       |
| 7221                    | Water                          | 21,658    | 0         | 21,658    | 0         | 21,658    | 0         | 21,658    | 0         | 21,658    | 0         | 21,660    | 0         | 129,950      |
| 7230                    | Gas                            | 9,500     | 9,500     | 9,000     | 8,500     | 8,000     | 7,000     | 6,500     | 7,000     | 7,000     | 8,000     | 8,000     | 9,000     | 97,000       |
| 7410                    | Scavenger Services             | 3,048     | 3,050     | 3,050     | 3,179     | 3,179     | 3,179     | 3,179     | 3,179     | 3,179     | 3,179     | 3,179     | 3,179     | 37,759       |
| 7412                    | Compactor/Trash Chute          | 245       | 750       | 0         | 245       | 750       | 0         | 245       | 750       | 0         | 245       | 770       | 0         | 4,000        |
| 7420                    | Exterminating                  | 144       | 159       | 159       | 159       | 1,966     | 159       | 159       | 159       | 159       | 159       | 159       | 159       | 3,700        |
| 7431                    | Cleaning Contract              | 7,083     | 7,083     | 7,083     | 7,083     | 7,083     | 7,083     | 7,083     | 7,083     | 7,083     | 7,083     | 7,083     | 7,087     | 85,000       |
| 7433                    | Carpet Cleaning                | 380       | 180       | 380       | 180       | 7,468     | 180       | 180       | 380       | 180       | 180       | 7,468     | 380       | 17,536       |
| 7450                    | Fire Prevention                | 1,750     | 1,750     | 1,750     | 1,750     | 1,750     | 1,750     | 1,750     | 1,750     | 1,750     | 1,750     | 1,750     | 1,750     | 21,000       |
| 7462                    | Elevator Repairs/Services      | 2,640     | 2,640     | 2,640     | 2,915     | 2,640     | 2,915     | 2,640     | 2,915     | 2,640     | 2,640     | 2,640     | 2,640     | 32,505       |
| 7465                    | Generator Services             | 2,400     | 400       | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 2,800        |
| 7470                    | Security Services              | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 7475                    | All Uniform Expenses           | 0         | 0         | 0         | 600       | 600       | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 1,200        |
| 7495                    | Other Building Services        | 100       | 100       | 100       | 100       | 100       | 100       | 100       | 100       | 100       | 100       | 100       | 100       | 1,200        |
| 7607                    | Maintenance Supplies           | 333       | 333       | 333       | 333       | 333       | 333       | 333       | 333       | 333       | 333       | 333       | 337       | 4,000        |
| 7610                    | Plumbing Repairs/Supplies      | 750       | 750       | 750       | 850       | 850       | 850       | 10,995    | 905       | 850       | 850       | 750       | 850       | 20,000       |
| 7620                    | Electric Repairs/Supplies      | 483       | 483       | 483       | 483       | 483       | 483       | 483       | 483       | 483       | 483       | 483       | 487       | 5,800        |
| 7621                    | Lights, Bulbs and Tubes        | 458       | 458       | 458       | 458       | 458       | 458       | 458       | 458       | 458       | 458       | 458       | 462       | 5,500        |
| 7632                    | HVAC Repairs/Supplies          | 0         | 850       | 850       | 0         | 2,000     | 2,000     | 0         | 600       | 2,000     | 0         | 850       | 850       | 10,000       |
| 7642                    | Doors, Locks & Keys            | 433       | 433       | 433       | 433       | 433       | 433       | 433       | 433       | 433       | 433       | 433       | 437       | 5,200        |
| 7645                    | Garage Door Repairs            | 417       | 417       | 417       | 417       | 417       | 417       | 417       | 417       | 417       | 417       | 417       | 413       | 5,000        |
| 7646                    | Building Equipment Repairs     | 208       | 208       | 208       | 208       | 208       | 208       | 208       | 208       | 208       | 208       | 208       | 212       | 2,500        |
| 7647                    | Garage Maintenance/Repairs     | 1,667     | 1,667     | 1,667     | 1,667     | 1,667     | 1,667     | 1,667     | 1,667     | 1,667     | 1,667     | 1,667     | 1,663     | 20,000       |
| 7651                    | Interior Painting & Decorating | 0         | 950       | 950       | 15,500    | 0         | 900       | 0         | 850       | 0         | 850       | 0         | 0         | 20,000       |
| 7652                    | Exterior Painting & Decorating | 0         | 0         | 0         | 1,000     | 300       | 300       | 300       | 300       | 550       | 0         | 0         | 0         | 2,750        |
| 7661                    | Masonry & Tuckpointing         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 60,000    | 0         | 0         | 0         | 0         | 60,000       |
| 7670                    | Roof Repairs & Supplies        | 0         | 950       | 950       | 2,000     | 0         | 0         | 950       | 0         | 10,250    | 950       | 950       | 0         | 17,000       |
| 7693                    | Cleaning Supplies              | 167       | 167       | 167       | 167       | 167       | 167       | 167       | 167       | 167       | 167       | 167       | 163       | 2,000        |
| 7805                    | Contract Landscape Services    | 0         | 0         | 9,657     | 9,657     | 9,657     | 9,657     | 9,657     | 9,657     | 9,657     | 9,661     | 0         | 0         | 77,260       |
| 7810                    | Landscape - Additional         | 0         | 0         | 0         | 10,000    | 5,000     | 5,000     | 0         | 0         | 0         | 0         | 0         | 0         | 20,000       |
| 7811                    | Trees & Bushes                 | 0         | 0         | 0         | 7,250     | 5,100     | 4,435     | 0         | 2,500     | 1,850     | 0         | 1,100     | 0         | 22,235       |
| 7840                    | Snow & Ice Removal             | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |
| 7841                    | Normal Snow Removal            | 5,200     | 5,200     | 5,200     | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 5,200     | 5,200     | 26,000       |
| 7843                    | Ice Control                    | 7,400     | 7,400     | 7,400     | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 7,400     | 7,400     | 37,000       |
| 7870                    | Streets & Sidewalks            | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 5,000     | 5,000     | 0         | 0         | 0         | 10,000       |
| 7880                    | Concrete Repair/Replacement    | 0         | 0         | 0         | 0         | 0         | 3,300     | 3,400     | 0         | 0         | 0         | 0         | 0         | 6,700        |
| 7890                    | Vehicle Expenses               | 0         | 0         | 50        | 50        | 50        | 50        | 50        | 50        | 50        | 50        | 50        | 0         | 450          |
| 8012                    | Pool Contract                  | 400       | 2,300     | 0         | 3,832     | 6,386     | 6,386     | 5,109     | 0         | 1,137     | 0         | 0         | 0         | 25,550       |
| 8020                    | Pool Chemicals                 | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0            |

# The Dana Point Condo (#0554)

## 2014 Budget Monthly Allocation

| GL                    | DESC                                 | JAN      | FEB      | MAR      | APR      | MAY      | JUN      | JUL      | AUG      | SEP      | OCT      | NOV      | DEC      | BUDGET TOTAL |
|-----------------------|--------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--------------|
| 8050                  | Pool Repairs & Supplies              | 0        | 0        | 0        | 0        | 500      | 500      | 500      | 500      | 500      | 0        | 0        | 0        | 2,500        |
| 8095                  | Other Pool Expenses                  | 0        | 0        | 0        | 950      | 950      | 0        | 600      | 0        | 500      | 0        | 0        | 0        | 3,000        |
| 8116                  | Fitness Equipment                    | 245      | 0        | 0        | 245      | 0        | 250      | 0        | 245      | 0        | 250      | 3,020    | 245      | 4,500        |
| 8505                  | Management Contract                  | 3,400    | 3,400    | 3,400    | 3,400    | 3,400    | 3,400    | 3,400    | 3,400    | 3,400    | 3,400    | 3,400    | 3,400    | 40,800       |
| 8520                  | Legal Services (Residents)           | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 413      | 5,000        |
| 8520-5                | Legal Services Reimb (Resident)      | (417)    | (417)    | (417)    | (417)    | (417)    | (417)    | (417)    | (417)    | (417)    | (417)    | (417)    | (413)    | (5,000)      |
| 8521                  | Legal Services (Assn)                | 500      | 500      | 500      | 500      | 500      | 500      | 500      | 500      | 500      | 500      | 500      | 500      | 6,000        |
| 8530                  | Audit & Financial Services           | 0        | 0        | 0        | 0        | 0        | 0        | 5,050    | 0        | 0        | 0        | 0        | 0        | 5,050        |
| 8540                  | Professional Services                | 0        | 0        | 3,000    | 0        | 3,500    | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 6,500        |
| 8545                  | Secretary/Minutes                    | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8550                  | General Office Expenses              | 375      | 375      | 375      | 375      | 375      | 375      | 375      | 375      | 375      | 375      | 375      | 375      | 4,500        |
| 8551                  | Photocopy/Reproduction               | 167      | 167      | 167      | 167      | 167      | 167      | 167      | 167      | 167      | 167      | 167      | 163      | 2,000        |
| 8552                  | Postage Expenses                     | 250      | 250      | 250      | 250      | 250      | 250      | 250      | 250      | 250      | 250      | 250      | 250      | 3,000        |
| 8553                  | Coupon Books/Lockbox Fee             | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8554                  | Bank Charges                         | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8556                  | Dues, Fees, & Licenses               | 350      | 350      | 350      | 350      | 350      | 350      | 350      | 350      | 350      | 350      | 350      | 350      | 4,200        |
| 8557                  | Office Equipment Expense             | 450      | 450      | 450      | 450      | 450      | 450      | 450      | 450      | 450      | 13,750   | 100      | 100      | 18,000       |
| 8560                  | Telephone/Pager Expense              | 1,250    | 1,250    | 1,250    | 1,250    | 1,250    | 1,250    | 1,250    | 1,250    | 1,250    | 1,250    | 1,250    | 1,250    | 15,000       |
| 8562                  | Renting Expense                      | 0        | 0        | 500      | 500      | 0        | 500      | 500      | 500      | 0        | 0        | 0        | 0        | 2,500        |
| 8565                  | Internet/Website Expense             | 119      | 119      | 119      | 119      | 119      | 119      | 119      | 119      | 119      | 119      | 119      | 113      | 1,422        |
| 8570                  | Community Newsletter                 | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8575                  | Promotions/Social Activity           | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8580                  | Income Taxes                         | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8592                  | Bad Debt Write-Offs                  | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 417      | 413      | 5,000        |
| 8595                  | Other Administrative Expense         | 42       | 42       | 42       | 42       | 42       | 42       | 42       | 42       | 42       | 42       | 42       | 38       | 500          |
| 8601                  | Provision for NOI Shortfall          | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8602                  | Provision for Loan Repayment         | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8603                  | Provision for Operating Cash         | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8604                  | Provision for Delinquency            | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8605                  | Provision for Other/AP               | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8710                  | All Association Insurance            | 9,500    | 0        | 0        | 0        | 56,011   | 9,955    | 9,955    | 9,955    | 9,955    | 9,955    | 9,955    | 9,955    | 135,196      |
| 8801                  | Budgeted Trsf to Res                 | 42,083   | 42,083   | 42,083   | 0        | 0        | 42,083   | 42,083   | 42,083   | 42,083   | 42,083   | 84,168   | 84,168   | 505,000      |
| 8802                  | Budgeted Trsf to Res                 | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 8806                  | Interest Transfer to Reserve         | 1,655    | 1,655    | 1,655    | 1,655    | 1,655    | 1,655    | 1,655    | 1,655    | 1,655    | 1,655    | 1,655    | 1,659    | 19,864       |
| 8807                  | Loan Payment                         | 16,059   | 16,059   | 16,059   | 16,059   | 16,059   | 16,059   | 16,059   | 16,059   | 16,059   | 16,059   | 16,059   | 16,060   | 192,709      |
| <b>RESERVE BUDGET</b> |                                      |          |          |          |          |          |          |          |          |          |          |          |          |              |
| 9001                  | Budgeted Operating Fund to Reserves  | (42,083) | (42,083) | (42,083) | 0        | 0        | (42,083) | (42,083) | (42,083) | (42,083) | (42,083) | (84,168) | (84,168) | (505,000)    |
| 9002                  | Bdgt Oper Fnd to Res                 | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9005                  | Bdgt Oper Fnd to Res                 | (17,714) | (17,714) | (17,714) | (17,714) | (17,714) | (17,714) | (17,714) | (17,714) | (17,714) | (17,714) | (17,714) | (17,719) | (212,573)    |
| 9025                  | Reserve Interest Inc                 | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9041                  | Loan Proceeds                        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9101                  | Bank Service Fees                    | 0        | 0        | 25       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 25           |
| 9150                  | Reserve Study                        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9160                  | Building Capital Expenses            | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9160-1                | Building Capital Expenses            | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9160-2                | Trash System                         | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9160-3                | Rental Units                         | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9160-4                | Fitness Center                       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9162                  | Masonry/Tuckpointing Capital Expense | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9163-4                | Carpentry-Door Replacement           | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9163-6                | Carpentry-Balcony Repair/Replacement | 0        | 0        | 0        | 30,000   | 5,000    | 25,000   | 60,000   | 55,000   | 0        | 0        | 0        | 0        | 175,000      |
| 9164                  | Concrete Capital Expense             | 0        | 0        | 0        | 0        | 0        | 0        | 12,315   | 0        | 15,520   | 0        | 0        | 0        | 27,835       |
| 9168                  | HVAC Capital Expense                 | 0        | 0        | 0        | 0        | 0        | 32,000   | 0        | 0        | 0        | 0        | 0        | 0        | 32,000       |
| 9169                  | Plumbing Capital Expense             | 0        | 0        | 0        | 0        | 0        | 10,000   | 0        | 10,000   | 0        | 0        | 0        | 0        | 20,000       |
| 9169-3                | Plumbing-Water Heaters               | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9170                  | Roof Capital Expense                 | 0        | 0        | 0        | 0        | 0        | 5,175    | 0        | 0        | 0        | 0        | 0        | 0        | 5,175        |
| 9173                  | Asphalt Capital Expense              | 0        | 0        | 0        | 0        | 0        | 0        | 46,150   | 0        | 0        | 0        | 0        | 0        | 46,150       |
| 9174                  | Electrical Capital Expense           | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9174-1                | Electrical-Fixture Replacement       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9180                  | Swimming Pool Capital Expense        | 0        | 0        | 0        | 0        | 50,000   | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 50,000       |
| 9182                  | Garage Capital Expense               | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0            |
| 9184                  | Capital Loan Payment                 | 1,949    | 1,895    | 1,842    | 1,789    | 1,736    | 1,683    | 1,630    | 1,576    | 1,522    | 1,468    | 1,414    | 1,360    | 19,864       |
| 9184-P                | Loan Principal Pymt                  | 15,768   | 15,819   | 15,872   | 15,925   | 15,978   | 16,031   | 16,085   | 16,138   | 16,192   | 16,246   | 16,300   | 16,355   | 192,709      |

|                             |          |           |           |           |           |          |         |        |          |          |          |           |           |
|-----------------------------|----------|-----------|-----------|-----------|-----------|----------|---------|--------|----------|----------|----------|-----------|-----------|
| <b>TOTALS</b>               | (48,321) | (79,268)  | (45,015)  | (15,461)  | 76,656    | 14,684   | 87,382  | 58,719 | (21,744) | (61,936) | (40,903) | (73,609)  | (148,815) |
| <b>CUMULATIVE CASH FLOW</b> | (48,321) | (127,588) | (172,603) | (188,064) | (111,408) | (96,724) | (9,342) | 49,377 | 27,633   | (34,303) | (75,206) | (148,814) | (297,629) |

# The Dana Point Condo (#0554)

## 2014 Budget Detail Report

| DESCRIPTION               |                           | 2012<br>ACTUAL   | 2013<br>BUDGET   | 2013<br>PROJ     | 2014<br>BUDGET   | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | VAR \$<br>('14 BUD-<br>'13 BUD) | VAR %<br>('14 BUD-<br>'13 BUD) |
|---------------------------|---------------------------|------------------|------------------|------------------|------------------|----------------------------------|---------------------------------|---------------------------------|--------------------------------|
| <b>OPERATING BUDGET</b>   |                           |                  |                  |                  |                  |                                  |                                 |                                 |                                |
| <b>ASSESSMENTS</b>        |                           |                  |                  |                  |                  |                                  |                                 |                                 |                                |
| 4010                      | Assessments - Regular     | 1,305,474        | 1,258,300        | 1,258,300        | 1,308,167        | 49,867                           | 4.0%                            | 49,867                          | 4.0%                           |
| <b>OTHER INCOME</b>       |                           |                  |                  |                  |                  |                                  |                                 |                                 |                                |
| 4011                      | Assessment, Reserve       | 499,824          | 485,174          | 485,174          | 505,000          | 19,826                           | 4.1%                            | 19,826                          | 4.1%                           |
| 4012                      | Bank Loan Payment         | 21,000           | 140,650          | 140,650          | 212,573          | 71,923                           | 51.1%                           | 71,923                          | 51.1%                          |
| 4013                      | Community Assn Fees       | 4,800            | -                | -                | -                | -                                | -                               | -                               | -                              |
| 4020                      | Late Charges              | 4,100            | 3,600            | 4,920            | 4,000            | (920)                            | -18.7%                          | 400                             | 11.1%                          |
| 4021                      | NSF Fees                  | 210              | -                | -                | -                | -                                | -                               | -                               | -                              |
| 4030                      | Move In/Move Out Fees     | 7,175            | 10,000           | 7,669            | 7,500            | (169)                            | -2.2%                           | (2,500)                         | -25.0%                         |
| 4050                      | Violation Income          | 1,200            | 600              | 2,850            | 1,000            | (1,850)                          | -64.9%                          | 400                             | 66.7%                          |
| 4060                      | Locker Rental Income      | -                | 15,360           | 14,230           | 14,760           | 530                              | 3.7%                            | (600)                           | -3.9%                          |
| 4070                      | Storage Space Rent        | 12,330           | -                | -                | -                | -                                | -                               | -                               | -                              |
| 4110                      | Laundry Room Income       | 53,847           | 52,000           | 55,306           | 55,312           | 6                                | 0.0%                            | 3,312                           | 6.4%                           |
| 4111                      | Fitness Room Income       | -                | -                | 180              | 100              | (80)                             | -44.4%                          | 100                             | New                            |
| 4130                      | Key Charges               | 4,145            | -                | 1,333            | 800              | (533)                            | -40.0%                          | 800                             | New                            |
| 4140                      | Unit Rental Income        | 66,360           | 67,260           | 66,760           | 68,210           | 1,450                            | 2.2%                            | 950                             | 1.4%                           |
| 4170                      | Maintenance Service Inc.  | 75               | -                | -                | -                | -                                | -                               | -                               | -                              |
| 4330                      | PAL/Transfer Fees         | 7,750            | 6,000            | -                | -                | -                                | -                               | (6,000)                         | -100.0%                        |
| 4610                      | Checking Account Interest | 30               | 100              | -                | -                | -                                | -                               | (100)                           | -100.0%                        |
| 4995                      | Miscellaneous Income      | 708              | 1,000            | 844              | 750              | (94)                             | -11.1%                          | (250)                           | -25.0%                         |
| 4996                      | Miscellaneous Income      | 225              | -                | -                | -                | -                                | -                               | -                               | -                              |
| <b>TOTAL OTHER INCOME</b> |                           | <b>683,779</b>   | <b>781,744</b>   | <b>779,916</b>   | <b>870,005</b>   | <b>90,089</b>                    | <b>11.6%</b>                    | <b>88,261</b>                   | <b>11.3%</b>                   |
| <b>TOTAL INCOME</b>       |                           | <b>1,989,253</b> | <b>2,040,044</b> | <b>2,038,216</b> | <b>2,178,172</b> | <b>139,956</b>                   | <b>6.9%</b>                     | <b>138,128</b>                  | <b>6.8%</b>                    |

| DESCRIPTION                    |                          | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ   | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | VAR \$<br>('14 BUD-<br>'13 BUD) | VAR %<br>('14 BUD-<br>'13 BUD) |
|--------------------------------|--------------------------|----------------|----------------|----------------|----------------|----------------------------------|---------------------------------|---------------------------------|--------------------------------|
| <b>EXPENSES</b>                |                          |                |                |                |                |                                  |                                 |                                 |                                |
| <b>PERSONNEL EXPENSE</b>       |                          |                |                |                |                |                                  |                                 |                                 |                                |
| 7011                           | On Site Manager          | -              | -              | 58,264         | 65,345         | 7,081                            | 12.2%                           | 65,345                          | New                            |
| 7012                           | Assistant Manager        | -              | -              | 32,865         | 40,000         | 7,135                            | 21.7%                           | 40,000                          | New                            |
| 7020                           | Maintenance Salaries     | 131,634        | 133,603        | 133,356        | -              | (133,356)                        | -100.0%                         | (133,603)                       | -100.0%                        |
| 7022                           | Asst. Maint. Supervisor  | -              | -              | -              | 45,660         | 45,660                           | New                             | 45,660                          | New                            |
| 7023                           | Maintenance Man          | -              | -              | -              | 35,439         | 35,439                           | New                             | 35,439                          | New                            |
| 7065                           | Payroll Process Fees     | 1,035          | 864            | 2,266          | 1,826          | (440)                            | -19.4%                          | 962                             | 111.3%                         |
| 7082                           | FICA Tax Expense         | 9,828          | 10,800         | 10,328         | 10,539         | 211                              | 2.0%                            | (261)                           | -2.4%                          |
| 7083                           | Federal Unemployment Tax | 189            | 500            | 127            | 126            | (1)                              | -0.8%                           | (374)                           | -74.8%                         |
| 7084                           | State Unemployment Tax   | 224            | 500            | 1,346          | 252            | (1,094)                          | -81.3%                          | (248)                           | -49.6%                         |
| 7085                           | Workers Comp Insurance   | 2,038          | 5,600          | 7,684          | 8,452          | 768                              | 10.0%                           | 2,852                           | 50.9%                          |
| 7086                           | Medical/Life Insurance   | 11,663         | 7,600          | 11,110         | 8,032          | (3,078)                          | -27.7%                          | 432                             | 5.7%                           |
| <b>TOTAL PERSONNEL EXPENSE</b> |                          | <b>156,611</b> | <b>160,467</b> | <b>257,046</b> | <b>215,561</b> | <b>(41,675)</b>                  | <b>-16.2%</b>                   | <b>56,204</b>                   | <b>33.2%</b>                   |

# The Dana Point Condo (#0554)

## 2014 Budget Detail Report

| DESCRIPTION                                     |                                | 2012<br>ACTUAL | 2013<br>BUDGET | 2013<br>PROJ   | 2014<br>BUDGET | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | VAR \$<br>('14 BUD-<br>'13 BUD) | VAR %<br>('14 BUD-<br>'13 BUD) |
|---|--------------------------------|----------------|----------------|----------------|----------------|----------------------------------|---------------------------------|---------------------------------|--------------------------------|
| <b>UTILITIES</b>                                |                                |                |                |                |                |                                  |                                 |                                 |                                |
| 7210  | Electricity                    | 76,544         | 90,500         | 83,428         | 90,000         | 6,572                            | 7.9%                            | (500)                           | -0.6%                          |
| 7221  | Water                          | 107,334        | 115,000        | 124,059        | 129,950        | 5,891                            | 4.7%                            | 14,950                          | 13.0%                          |
| 7230  | Gas                            | 72,059         | 101,970        | 92,989         | 97,000         | 4,011                            | 4.3%                            | (4,970)                         | -4.9%                          |
| <b>Total Utilities</b>                          |                                | <b>255,937</b> | <b>307,470</b> | <b>300,476</b> | <b>316,950</b> | <b>16,474</b>                    | <b>5.5%</b>                     | <b>9,480</b>                    | <b>3.1%</b>                    |
| <b>BUILDING SERVICES</b>                        |                                |                |                |                |                |                                  |                                 |                                 |                                |
| 7410  | Scavenger Services             | 33,372         | 41,604         | 34,599         | 37,759         | 3,160                            | 9.1%                            | (3,845)                         | -9.2%                          |
| 7412  | Compactor/Trash Chute          | 1,928          | 4,000          | 3,728          | 4,000          | 272                              | 7.3%                            | -                               | 0.0%                           |
| 7420  | Exterminating                  | 4,147          | 9,220          | 3,376          | 3,700          | 324                              | 9.6%                            | (5,520)                         | -59.9%                         |
| 7431  | Cleaning Contract              | 90,954         | 73,080         | 79,287         | 85,000         | 5,713                            | 7.2%                            | 11,920                          | 16.3%                          |
| 7433  | Carpet Cleaning                | 29,350         | 25,582         | 16,954         | 17,536         | 582                              | 3.4%                            | (8,046)                         | -31.5%                         |
| 7450  | Fire Prevention                | 26,335         | 22,710         | 22,711         | 21,000         | (1,711)                          | -7.5%                           | (1,710)                         | -7.5%                          |
| 7462  | Elevator Repairs/Services      | 32,036         | 33,912         | 18,830         | 32,505         | 13,675                           | 72.6%                           | (1,407)                         | -4.1%                          |
| 7465  | Generator Services             | -              | -              | (0)            | 2,800          | 2,800                            | New                             | 2,800                           | New                            |
| 7470  | Security Services              | 11,666         | 12,000         | -              | -              | -                                |                                 | (12,000)                        | -100.0%                        |
| 7475  | All Uniform Expenses           | 994            | 1,200          | 1,187          | 1,200          | 13                               | 1.1%                            | -                               | 0.0%                           |
| 7495  | Other Building Services        | 9,273          | 4,504          | 3,508          | 1,200          | (2,308)                          | -65.8%                          | (3,304)                         | -73.4%                         |
| <b>Total Building Services</b>                  |                                | <b>240,055</b> | <b>227,812</b> | <b>184,180</b> | <b>206,700</b> | <b>22,520</b>                    | <b>12.2%</b>                    | <b>(21,112)</b>                 | <b>-9.3%</b>                   |
| <b>BUILDING REPAIRS &amp; MAINTENANCE</b>       |                                |                |                |                |                |                                  |                                 |                                 |                                |
| 7607  | Maintenance Supplies           | 4,794          | 4,200          | 3,391          | 4,000          | 609                              | 18.0%                           | (200)                           | -4.8%                          |
| 7610  | Plumbing Repairs/Supplies      | 17,877         | 15,120         | 24,738         | 20,000         | (4,738)                          | -19.2%                          | 4,880                           | 32.3%                          |
| 7620  | Electric Repairs/Supplies      | 5,444          | 4,800          | 5,716          | 5,800          | 84                               | 1.5%                            | 1,000                           | 20.8%                          |
| 7621  | Lights, Bulbs and Tubes        | 4,659          | 5,004          | 6,553          | 5,500          | (1,053)                          | -16.1%                          | 496                             | 9.9%                           |
| 7632  | HVAC Repairs/Supplies          | 17,754         | 10,000         | 8,342          | 10,000         | 1,658                            | 19.9%                           | -                               | 0.0%                           |
| 7642  | Doors, Locks & Keys            | 5,298          | 5,000          | 4,711          | 5,200          | 489                              | 10.4%                           | 200                             | 4.0%                           |
| 7645  | Garage Door Repairs            | -              | -              | (0)            | 5,000          | 5,000                            | New                             | 5,000                           | New                            |
| 7646  | Building Equipment Repairs     | 1,936          | 5,990          | 2,566          | 2,500          | (66)                             | -2.6%                           | (3,490)                         | -58.3%                         |
| 7647  | Garage Maintenance/Repairs     | 21,233         | 24,000         | 17,988         | 20,000         | 2,012                            | 11.2%                           | (4,000)                         | -16.7%                         |
| 7651  | Interior Painting & Decorating | 1,335          | 4,020          | 4,169          | 20,000         | 15,831                           | 379.7%                          | 15,980                          | 397.5%                         |
| 7652  | Exterior Painting & Decorating | -              | 5,000          | 2,081          | 2,750          | 669                              | 32.1%                           | (2,250)                         | -45.0%                         |
| 7661  | Masonry & Tuckpointing         | 6,268          | 40,000         | 3,000          | 60,000         | 57,000                           | 1900.0%                         | 20,000                          | 50.0%                          |
| 7670  | Roof Repairs & Supplies        | 26,360         | 17,000         | 17,000         | 17,000         | -                                | 0.0%                            | -                               | 0.0%                           |
| 7693  | Cleaning Supplies              | 2,877          | 2,000          | 1,780          | 2,000          | 220                              | 12.4%                           | -                               | 0.0%                           |
| <b>Total Building Repairs &amp; Maintenance</b> |                                | <b>115,835</b> | <b>142,134</b> | <b>102,035</b> | <b>179,750</b> | <b>77,715</b>                    | <b>76.2%</b>                    | <b>37,616</b>                   | <b>26.5%</b>                   |
| <b>COMMON AREA LANDSCAPING</b>                  |                                |                |                |                |                |                                  |                                 |                                 |                                |
| 7805  | Contract Landscape Services    | 85,600         | 93,800         | 64,800         | 77,260         | 12,460                           | 19.2%                           | (16,540)                        | -17.6%                         |
| 7810  | Landscape - Additional         | 12,235         | 25,110         | 8,672          | 20,000         | 11,328                           | 130.6%                          | (5,110)                         | -20.4%                         |
| 7811  | Trees & Bushes                 | 19,767         | 17,295         | 17,021         | 22,235         | 5,214                            | 30.6%                           | 4,940                           | 28.6%                          |
| 7840  | Snow & Ice Removal             | 5,200          | -              | -              | -              | -                                |                                 | -                               |                                |
| 7841  | Normal Snow Removal            | -              | -              | (0)            | 26,000         | 26,000                           | New                             | 26,000                          | New                            |
| 7843  | Ice Control                    | 10,860         | 30,000         | 63,080         | 37,000         | (26,080)                         | -41.3%                          | 7,000                           | 23.3%                          |
| 7870  | Streets & Sidewalks            | -              | 10,000         | 6,772          | 10,000         | 3,228                            | 47.7%                           | -                               | 0.0%                           |
| 7880  | Concrete Repair/Replacement    | 1,795          | 5,000          | -              | 6,700          | 6,700                            | New                             | 1,700                           | 34.0%                          |
| 7890  | Vehicle Expenses               | 164            | 900            | 375            | 450            | 75                               | 20.0%                           | (450)                           | -50.0%                         |
| <b>Total Common Area Landscaping</b>            |                                | <b>135,621</b> | <b>182,105</b> | <b>160,720</b> | <b>199,645</b> | <b>38,925</b>                    | <b>24.2%</b>                    | <b>17,540</b>                   | <b>9.6%</b>                    |

# The Dana Point Condo (#0554)

## 2014 Budget Detail Report

|  |                                 | 2012           | 2013           | 2013           | 2014           | VAR \$                 | VAR %                  | VAR \$                | VAR %                 |
|--|---------------------------------|----------------|----------------|----------------|----------------|------------------------|------------------------|-----------------------|-----------------------|
|  |                                 | ACTUAL         | BUDGET         | PROJ           | BUDGET         | ('14 BUD-<br>'13 PROJ) | ('14 BUD-<br>'13 PROJ) | ('14 BUD-<br>'13 BUD) | ('14 BUD-<br>'13 BUD) |
| <b>PROPERTY AMENITIES: POOL</b>                    |                                 |                |                |                |                |                        |                        |                       |                       |
| 8012   | Pool Contract                   | 25,077         | 28,604         | 25,136         | 25,550         | 414                    | 1.6%                   | (3,054)               | -10.7%                |
| 8020   | Pool Chemicals                  | 601            | 1,500          | -              | -              | -                      |                        | (1,500)               | -100.0%               |
| 8050   | Pool Repairs & Supplies         | 4,288          | 2,000          | 2,862          | 2,500          | (362)                  | -12.6%                 | 500                   | 25.0%                 |
| <b>Total Property Amenities: Pool</b>              |                                 | <b>29,966</b>  | <b>32,104</b>  | <b>27,998</b>  | <b>28,050</b>  | <b>52</b>              | <b>0.2%</b>            | <b>(4,054)</b>        | <b>-12.6%</b>         |
| <b>PROPERTY AMENITIES: COMMON FACILITIES</b>       |                                 |                |                |                |                |                        |                        |                       |                       |
| 8095   | Other Pool Expenses             | 35             | 1,200          | 500            | 3,000          | 2,500                  | 500.0%                 | 1,800                 | 150.0%                |
| 8116   | Fitness Equipment               | -              | -              | (0)            | 4,500          | 4,500                  | New                    | 4,500                 | New                   |
| <b>Total Property Amenities: Common Facilities</b> |                                 | <b>35</b>      | <b>1,200</b>   | <b>500</b>     | <b>7,500</b>   | <b>7,000</b>           | <b>1400.0%</b>         | <b>6,300</b>          | <b>525.0%</b>         |
| <b>GENERAL &amp; ADMINISTRATIVE</b>                |                                 |                |                |                |                |                        |                        |                       |                       |
| 8505   | Management Contract             | 142,593        | 154,000        | 40,800         | 40,800         | -                      | 0.0%                   | (113,200)             | -73.5%                |
| 8520   | Legal Services (Residents)      | 8,070          | -              | 4,696          | 5,000          | 304                    | 6.5%                   | 5,000                 | New                   |
| 8520-5   | Legal Services Reimb (Resident) | (7,604)        | -              | (4,696)        | (5,000)        | (304)                  | -6.5%                  | (5,000)               | New                   |
| 8521   | Legal Services (Assn)           | 5,860          | 9,000          | 7,529          | 6,000          | (1,529)                | -20.3%                 | (3,000)               | -33.3%                |
| 8530   | Audit & Financial Services      | 8,675          | 9,000          | 9,500          | 5,050          | (4,450)                | -46.8%                 | (3,950)               | -43.9%                |
| 8540   | Professional Services           | 279            | -              | 6,500          | 6,500          | 0                      | 0.0%                   | 6,500                 | New                   |
| 8545   | Secretary/Minutes               | 900            | -              | -              | -              | -                      |                        | -                     |                       |
| 8550   | General Office Expenses         | 4,180          | 4,500          | 3,598          | 4,500          | 902                    | 25.1%                  | -                     | 0.0%                  |
| 8551   | Photocopy/Reproduction          | 2,190          | 3,420          | 2,162          | 2,000          | (162)                  | -7.5%                  | (1,420)               | -41.5%                |
| 8552   | Postage Expenses                | 3,492          | 2,700          | 2,753          | 3,000          | 247                    | 9.0%                   | 300                   | 11.1%                 |
| 8553   | Coupon Books/Lockbox Fee        | -              | -              | (30)           | -              | 30                     | 100.0%                 | -                     |                       |
| 8554   | Bank Charges                    | 4,221          | 4,008          | 629            | -              | (629)                  | -100.0%                | (4,008)               | -100.0%               |
| 8556   | Dues, Fees, & Licenses          | 1,410          | 3,954          | 4,941          | 4,200          | (741)                  | -15.0%                 | 246                   | 6.2%                  |
| 8557   | Office Equipment Expense        | 6,143          | 6,300          | 7,345          | 18,000         | 10,655                 | 145.1%                 | 11,700                | 185.7%                |
| 8560   | Telephone/Pager Expense         | 33,292         | 16,040         | 25,318         | 15,000         | (10,318)               | -40.8%                 | (1,040)               | -6.5%                 |
| 8562   | Renting Expense                 | 1,367          | 2,500          | 1,044          | 2,500          | 1,456                  | 139.5%                 | -                     | 0.0%                  |
| 8565   | Internet/Website Expense        | -              | -              | 1,329          | 1,422          | 93                     | 7.0%                   | 1,422                 | New                   |
| 8570   | Community Newsletter            | -              | 1,800          | 750            | -              | (750)                  | -100.0%                | (1,800)               | -100.0%               |
| 8575   | Promotions/Social Activity      | 985            | 1,200          | 19             | -              | (19)                   | -100.0%                | (1,200)               | -100.0%               |
| 8580   | Income Taxes                    | 3,988          | -              | -              | -              | -                      |                        | -                     |                       |
| 8592   | Bad Debt Write-Offs             | 30,136         | 12,000         | 13,548         | 5,000          | (8,548)                | -63.1%                 | (7,000)               | -58.3%                |
| 8595   | Other Administrative Expense    | 284            | 500            | 961            | 500            | (461)                  | -48.0%                 | -                     | 0.0%                  |
| <b>Total General &amp; Administrative</b>          |                                 | <b>250,461</b> | <b>230,922</b> | <b>128,696</b> | <b>114,472</b> | <b>(14,224)</b>        | <b>-11.1%</b>          | <b>(116,450)</b>      | <b>-50.4%</b>         |
| <b>INSURANCE</b>                                   |                                 |                |                |                |                |                        |                        |                       |                       |
| 8601   | Provision for NOI Shortfall     | -              | -              | -              | 0              | 0                      | New                    | 0                     | New                   |
| 8602   | Provision for Loan Repayment    | -              | -              | -              | 0              | 0                      | New                    | 0                     | New                   |
| 8603   | Provision for Operating Cash    | -              | -              | -              | 0              | 0                      | New                    | 0                     | New                   |
| 8604   | Provision for Delinquency       | -              | -              | -              | 0              | 0                      | New                    | 0                     | New                   |
| 8605   | Provision for Other/AP          | -              | -              | -              | 0              | 0                      | New                    | 0                     | New                   |
| 8710   | All Association Insurance       | 120,979        | 131,806        | 125,966        | 135,196        | 9,230                  | 7.3%                   | 3,390                 | 2.6%                  |
| <b>Total Insurance</b>                             |                                 | <b>120,979</b> | <b>131,806</b> | <b>125,966</b> | <b>135,196</b> | <b>9,230</b>           | <b>7.3%</b>            | <b>3,390</b>          | <b>2.6%</b>           |
| <b>TRANSFERS TO RESERVES</b>                       |                                 |                |                |                |                |                        |                        |                       |                       |
| 8801   | Budgeted Trsf to Res            | 4,800          | 485,174        | 485,174        | 505,000        | 19,826                 | 4.1%                   | 19,826                | 4.1%                  |
| 8802   | Budgeted Trsf to Res            | 499,824        | -              | -              | -              | -                      |                        | -                     |                       |
| 8806   | Interest Transfer to Reserve    | 1,021          | 11,949         | 11,949         | 19,864         | 7,915                  | 66.2%                  | 7,915                 | 66.2%                 |
| 8807   | Loan Payment                    | -              | 128,702        | 128,702        | 192,399        | 64,007                 | 49.7%                  | 64,007                | 49.7%                 |

# The Dana Point Condo (#0554)

## 2014 Budget Detail Report

| DESCRIPTION                        |                                      | 2012             | 2013             | 2013             | 2014             | VAR \$                 | VAR %                  | VAR \$                | VAR %                 |
|------------------------------------|--------------------------------------|------------------|------------------|------------------|------------------|------------------------|------------------------|-----------------------|-----------------------|
|                                    |                                      | ACTUAL           | BUDGET           | PROJ             | BUDGET           | ('14 BUD-<br>'13 PROJ) | ('14 BUD-<br>'13 PROJ) | ('14 BUD-<br>'13 BUD) | ('14 BUD-<br>'13 BUD) |
| Total Transfers to Reserves        |                                      | 505,645          | 625,825          | 625,825          | 717,573          | 91,748                 | 14.7%                  | 91,748                | 14.7%                 |
| <b>TOTAL EXPENSES</b>              |                                      | <b>1,811,145</b> | <b>2,040,845</b> | <b>1,913,742</b> | <b>2,121,507</b> | <b>207,765</b>         | <b>10.9%</b>           | <b>80,662</b>         | <b>4.0%</b>           |
| <b>OPERATING NET PROFIT/(LOSS)</b> |                                      | <b>178,108</b>   | <b>(801)</b>     | <b>124,474</b>   | <b>56,665</b>    | <b>(67,809)</b>        |                        | <b>57,466</b>         |                       |
| <hr/>                              |                                      |                  |                  |                  |                  |                        |                        |                       |                       |
| <b>RESERVE INCOME</b>              |                                      |                  |                  |                  |                  |                        |                        |                       |                       |
| 9002                               | Bdgt Oper Fnd to Res                 | (499,824)        | -                | -                | -                | -                      | -                      | -                     | -                     |
| 9005                               | Bdgt Oper Fnd to Res                 | -                | (140,650)        | (140,650)        | (212,573)        | (71,923)               | -51.1%                 | (71,923)              | -51.1%                |
| 9025                               | Reserve Interest Inc                 | (490)            | (800)            | (32)             | -                | 32                     | 100.0%                 | 800                   | 100.0%                |
| 9041                               | Loan Proceeds                        | -                | -                | (378,700)        | -                | 378,700                | 100.0%                 | -                     | -                     |
| 9101                               | Bank Service Fees                    | -                | -                | 25               | 25               | 0                      | 0.0%                   | 25                    | New                   |
| <hr/>                              |                                      |                  |                  |                  |                  |                        |                        |                       |                       |
| <b>CAPITAL EXPENSES</b>            |                                      |                  |                  |                  |                  |                        |                        |                       |                       |
| 9150                               | Reserve Study                        | 4,650            | 5,000            | -                | -                | -                      |                        | (5,000)               | -100.0%               |
| 9160                               | Building Capital Expenses            | 99,280           | -                | -                | -                | -                      |                        | -                     | -                     |
| 9160-1                             | Building Capital Expenses            | -                | 12,000           | -                | -                | -                      |                        | (12,000)              | -100.0%               |
| 9160-2                             | Trash System                         | -                | 8,000            | -                | -                | -                      |                        | (8,000)               | -100.0%               |
| 9160-3                             | Rental Units                         | -                | 2,400            | -                | -                | -                      |                        | (2,400)               | -100.0%               |
| 9160-4                             | Fitness Center                       | -                | 2,000            | 831              | -                | (831)                  | -100.0%                | (2,000)               | -100.0%               |
| 9162                               | Masonry/Tuckpointing Capital Expense | 4,938            | 10,000           | 4,169            | -                | (4,169)                | -100.0%                | (10,000)              | -100.0%               |
| 9163-4                             | Carpentry-Door Replacement           | 5,875            | 5,800            | 2,419            | -                | (2,419)                | -100.0%                | (5,800)               | -100.0%               |
| 9163-6                             | Carpentry-Balcony Repair/Replacement | 782,795          | 220,000          | 91,574           | 175,000          | 83,426                 | 91.1%                  | (45,000)              | -20.5%                |
| 9164                               | Concrete Capital Expense             | -                | 3,500            | 1,456            | 27,835           | 26,379                 | 1811.7%                | 24,335                | 695.3%                |
| 9168                               | HVAC Capital Expense                 | 12,166           | 12,000           | 43,643           | 32,000           | (11,643)               | -26.7%                 | 20,000                | 166.7%                |
| 9169                               | Plumbing Capital Expense             | -                | 40,000           | 16,669           | 20,000           | 3,331                  | 20.0%                  | (20,000)              | -50.0%                |
| 9169-3                             | Plumbing-Water Heaters               | -                | 6,000            | 2,500            | -                | (2,500)                | -100.0%                | (6,000)               | -100.0%               |
| 9170                               | Roof Capital Expense                 | 283,694          | -                | -                | 5,175            | 5,175                  | New                    | 5,175                 | New                   |
| 9173                               | Asphalt Capital Expense              | 4,694            | 100,000          | 41,669           | 46,150           | 4,481                  | 10.8%                  | (53,850)              | -53.9%                |
| 9174                               | Electrical Capital Expense           | -                | 1,500            | -                | -                | -                      |                        | (1,500)               | -100.0%               |
| 9174-1                             | Electrical-Fixture Replacement       | -                | 1,500            | -                | -                | -                      |                        | (1,500)               | -100.0%               |
| 9180                               | Swimming Pool Capital Expense        | 12,557           | 2,400            | -                | 50,000           | 50,000                 | New                    | 47,600                | 1983.3%               |
| 9182                               | Garage Capital Expense               | 4,245            | 4,600            | -                | -                | -                      |                        | (4,600)               | -100.0%               |
| 9184                               | Capital Loan Payment                 | 1,021            | 11,949           | 11,615           | 19,864           | 8,249                  | 71.0%                  | 7,915                 | 66.2%                 |
| 9184-P                             | Loan Principal Pymt                  | -                | 128,702          | 75,075           | 192,709          | 117,634                | 156.7%                 | 64,007                | 49.7%                 |
| <b>NET PROFIT/(LOSS)</b>           |                                      | <b>(715,601)</b> | <b>(435,901)</b> | <b>227,737</b>   | <b>(356,185)</b> | <b>(583,922)</b>       |                        | <b>79,716</b>         |                       |



# The Dana Point Condo (#0554)

## 2014 Budget - Operating Cash Flow Analysis

|                             | JAN       | FEB       | MAR       | APR       | MAY       | JUN       | JUL       | AUG       | SEP       | OCT       | NOV       | DEC       | TOTAL       |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|
| <b>TOTAL INCOME</b>         | (181,442) | (181,442) | (181,442) | (181,442) | (181,517) | (181,517) | (181,542) | (181,567) | (181,542) | (181,567) | (181,567) | (181,585) | (2,178,172) |
| <b>TOTAL EXPENSE</b>        | 175,201   | 144,257   | 178,485   | 135,981   | 203,173   | 166,109   | 192,541   | 217,369   | 186,361   | 161,714   | 224,832   | 192,148   | 2,178,172   |
| <b>NET PROFIT/(LOSS)</b>    | 6,241     | 37,185    | 2,957     | 45,461    | (21,656)  | 15,408    | (10,999)  | (35,802)  | (4,819)   | 19,853    | (43,265)  | (10,563)  | (0)         |
| <b>CUMULATIVE CASH FLOW</b> | 6,241     | 43,425    | 46,382    | 91,843    | 70,187    | 85,595    | 74,596    | 38,794    | 33,975    | 53,828    | 10,563    | (1)       |             |

# The Dana Point Condo (#0554)

## 2014 Budget Summary

|                           | 2012<br>ACTUAL   | 2013<br>BUDGET   | 2013<br>PROJ     | 2014<br>BUDGET   | VAR \$<br>('14 BUD-<br>'13 PROJ) | VAR %<br>('14 BUD-<br>'13 PROJ) | VAR \$<br>('14 BUD-<br>'13 BUD) | VAR %<br>('14 BUD-<br>'13 BUD) | % OF<br>TOTAL<br>INCOME |
|---------------------------|------------------|------------------|------------------|------------------|----------------------------------|---------------------------------|---------------------------------|--------------------------------|-------------------------|
| <b>INCOME</b>             |                  |                  |                  |                  |                                  |                                 |                                 |                                |                         |
| Assessment Income         | 1,305,474        | 1,258,300        | 1,258,300        | 1,308,167        | 49867.0                          | 4.0%                            | 49,867                          | 4.0%                           | 60.1%                   |
| Other Income              | 683,779          | 781,744          | 779,916          | 870,005          | 90089.0                          | 11.6%                           | 88,261                          | 11.3%                          | 39.9%                   |
| <b>Total Income</b>       | <b>1,989,253</b> | <b>2,040,044</b> | <b>2,038,216</b> | <b>2,178,172</b> | <b>139956.0</b>                  | <b>6.9%</b>                     | <b>138,128</b>                  | <b>6.8%</b>                    |                         |
| <b>EXPENSES</b>           |                  |                  |                  |                  |                                  |                                 |                                 |                                |                         |
| Payroll                   | 156,611          | 159,467          | 257,346          | 272,336          | 14990.0                          | 5.8%                            | 112,869                         | 70.8%                          | 12.5%                   |
| Utilities                 | 255,937          | 307,470          | 300,476          | 316,950          | 16474.0                          | 5.5%                            | 9,480                           | 3.1%                           | 14.6%                   |
| Building Services         | 240,055          | 227,812          | 184,180          | 206,700          | 22520.0                          | 12.2%                           | (21,112)                        | -9.3%                          | 9.5%                    |
| Repairs & Maintenance     | 115,835          | 142,134          | 102,035          | 179,750          | 77715.0                          | 76.2%                           | 37,616                          | 26.5%                          | 8.3%                    |
| Common Area               | 135,621          | 182,105          | 160,720          | 199,645          | 38925.0                          | 24.2%                           | 17,540                          | 9.6%                           | 9.2%                    |
| Swimming Pool             | 30,001           | 33,304           | 28,498           | 31,050           | 2552.0                           | 9.0%                            | (2,254)                         | -6.8%                          | 1.4%                    |
| Community Facilities      | -                | -                | 0                | (4,500)          | -4500.0                          | New                             | (4,500)                         | New                            | -0.2%                   |
| General Office            | 250,461          | 230,922          | 128,696          | 114,472          | -14224.0                         | -11.1%                          | (116,450)                       | -50.4%                         | 5.3%                    |
| Provision for Contingency | -                | -                | -                | 0                | 0.0                              | New                             | 0                               | New                            | 0.0%                    |
| Insurance                 | 120,979          | 131,806          | 125,966          | 135,196          | 9230.0                           | 7.3%                            | 3,390                           | 2.6%                           | 6.2%                    |
| Transfer to Reserves      | 504,624          | 485,174          | 485,174          | 505,000          | 19826.0                          | 4.1%                            | 19,826                          | 4.1%                           | 23.2%                   |
| Operating Loan            | 1,021            | 140,651          | 140,651          | 212,573          | 71922.0                          | 51.1%                           | 71,922                          | 51.1%                          | 9.8%                    |
| <b>Total Expense</b>      | <b>1,811,145</b> | <b>2,040,845</b> | <b>1,913,742</b> | <b>2,169,172</b> | <b>255430.0</b>                  | <b>13.3%</b>                    | <b>128,327</b>                  | <b>6.3%</b>                    |                         |
| <b>NET PROFIT/(LOSS)</b>  | <b>178,108</b>   | <b>(801)</b>     | <b>124,474</b>   | <b>9,000</b>     | <b>-115474.0</b>                 |                                 | <b>9,801</b>                    |                                |                         |

### 2014 Reserve Projection

|  |    |           |
|--|----|-----------|
| Reserve Account Total Balance as of 12/31/2013 | \$ | 832,599   |
| Budgeted Operating Contributions to Reserves   | \$ | 717,573   |
| Special Assessment Income                      | \$ | -         |
| Other Reserve Income                           | \$ | -         |
| Reserve Loan                                   | \$ | -         |
| Reserve Expenditures                           | \$ | (568,733) |

**Projected Reserve Account Total Balance as of 12/31/201** **981,439**

## The Dana Point Condo (#0554)

### 2014 Budget - Assessment Detail

| UNIT/DESC     | PERCENT         | # UNITS    | TOTAL %           | 2013                  | 2014                  |
|---------------|-----------------|------------|-------------------|-----------------------|-----------------------|
|               |                 |            |                   | MONTHLY<br>ASSESSMENT | MONTHLY<br>ASSESSMENT |
|               | 0.143           | 24         | 3.432             | 224.52                | 241.40                |
|               | 0.145           | 24         | 3.480             | 227.66                | 244.78                |
|               | 0.147           | 24         | 3.528             | 230.81                | 248.15                |
|               | 0.151           | 24         | 3.624             | 237.09                | 254.91                |
|               | 0.152           | 24         | 3.648             | 238.66                | 256.59                |
|               | 0.154           | 24         | 3.696             | 241.80                | 259.97                |
|               | 0.156           | 24         | 3.744             | 244.94                | 263.35                |
|               | 0.160           | 24         | 3.840             | 251.22                | 270.10                |
|               | 0.198           | 24         | 4.752             | 310.88                | 334.25                |
|               | 0.200           | 24         | 4.800             | 314.02                | 337.62                |
|               | 0.202           | 34         | 6.868             | 317.16                | 341.00                |
|               | 0.204           | 10         | 2.040             | 320.30                | 344.38                |
|               | 0.206           | 17         | 3.502             | 323.44                | 347.75                |
|               | 0.208           | 24         | 4.992             | 326.58                | 351.13                |
|               | 0.212           | 10         | 2.120             | 332.86                | 357.88                |
|               | 0.215           | 24         | 5.160             | 337.57                | 362.95                |
|               | 0.219           | 12         | 2.628             | 343.85                | 369.70                |
|               | 0.223           | 12         | 2.676             | 350.13                | 376.45                |
|               | 0.227           | 24         | 5.448             | 356.41                | 383.20                |
|               | 0.236           | 12         | 2.832             | 370.54                | 398.40                |
|               | 0.280           | 12         | 3.360             | 439.63                | 472.67                |
|               | 0.281           | 2          | 0.562             | 441.20                | 474.36                |
|               | 0.282           | 10         | 2.820             | 442.77                | 476.05                |
|               | 0.284           | 12         | 3.408             | 445.91                | 479.43                |
|               | 0.288           | 8          | 2.304             | 452.19                | 486.18                |
|               | 0.290           | 12         | 3.480             | 455.33                | 489.55                |
|               | 0.297           | 8          | 2.376             | 466.32                | 501.37                |
|               | 0.301           | 8          | 2.408             | 472.60                | 508.12                |
|               | 0.309           | 8          | 2.472             | 485.16                | 521.63                |
| <b>TOTALS</b> | <b>6.370000</b> | <b>499</b> | <b>100.000000</b> |                       |                       |

## 2014 Budget - Reserve Study

The Dana Point Condo (#0554)

|  |           |
|--|-----------|
| Reserve Account Total Balance as of 12/31/2013 | 832,599   |
| + Budgeted Operating Contributions to Reserves | 717,573   |
| + Special Assessment Income                    | -         |
| + Other Reserve Income                         | -         |
| + Reserve Loan                                 | -         |
| - Reserve Expenditures                         | (568,733) |

|   |                |
|---|----------------|
| <b>Projected Reserve Account Total Balance as of 12/31/2014</b> | <b>981,439</b> |
|---|----------------|

## 2014 Reserve Study 10-Year Projection

|        | GL   | Name                                 | 2014 Budget | 2015      | 2016      | 2017      | 2018      | 2019      | 2020      | 2021      | 2022    | 2023    |
|--------|------|--------------------------------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|
| INCOME | 9001 | Budgeted Operating Funds to Reserves | 505,000     | 1,345,375 | 1,336,463 | 1,298,391 | 1,272,713 | 1,213,279 | 1,022,026 | 1,029,832 | 969,172 | 964,272 |
|        | 9002 | Budgeted Operating Funds to Reserves | 0           |           |           |           |           |           |           |           |         |         |
|        | 9003 | Budgeted Operating Funds to Reserves | 0           |           |           |           |           |           |           |           |         |         |
|        | 9004 | Budgeted Operating Funds to Reserves | 0           |           |           |           |           |           |           |           |         |         |
|        | 9005 | Budgeted Operating Funds to Reserves | 212,573     |           |           |           |           |           |           |           |         |         |
|        | 9025 | Reserve Interest Inc                 | 0           |           |           |           |           |           |           |           |         |         |
|        | 9031 | Special Assessment                   | 0           |           |           |           |           |           |           |           |         |         |
|        | 9032 | Special Assessment                   | 0           |           |           |           |           |           |           |           |         |         |
|        | 9033 | Special Assessment                   | 0           |           |           |           |           |           |           |           |         |         |
|        | 9034 | Special Assessment                   | 0           |           |           |           |           |           |           |           |         |         |
|        | 9035 | Special Assessment                   | 0           |           |           |           |           |           |           |           |         |         |
|        | 9041 | Loan Proceeds                        | 0           |           |           |           |           |           |           |           |         |         |
|        | 9045 | Reserve Interest Inc                 | 0           |           |           |           |           |           |           |           |         |         |
|        | 9050 | Unbudgeted Over Res Fund             | 0           |           |           |           |           |           |           |           |         |         |
|        | 9051 | Unbudgeted Over Res Fund             | 0           |           |           |           |           |           |           |           |         |         |
|        | 9052 | Unbudgeted Over Res Fund             | 0           |           |           |           |           |           |           |           |         |         |
|        | 9053 | Unbudgeted Over Res Fund             | 0           |           |           |           |           |           |           |           |         |         |
|        | 9054 | Unbudgeted Over Res Fund             | 0           |           |           |           |           |           |           |           |         |         |
|        | 9040 | Unbudgeted Over Res Fund             | 0           |           |           |           |           |           |           |           |         |         |
|        |      | TOTAL INCOME                         | 717,573     | 1,345,375 | 1,336,463 | 1,298,391 | 1,272,713 | 1,213,279 | 1,022,026 | 1,029,832 | 969,172 | 964,272 |

|          | GL     | Name                                  | 2014 Budget | 2015    | 2016    | 2017   | 2018      | 2019   | 2020   | 2021    | 2022    | 2023    |
|----------|--------|---------------------------------------|-------------|---------|---------|--------|-----------|--------|--------|---------|---------|---------|
| EXPENSES | 9101   | Bank Service Fees                     | 25          |         |         |        |           |        |        |         |         |         |
|          | 9150   | Reserve Study                         | 0           |         |         |        |           |        |        |         |         |         |
|          | 9151   | Capital Project Management            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9160   | Building Capital Expense              | 0           |         |         |        |           |        |        |         |         |         |
|          | 9160-1 | Building Capital Expense              | 0           |         |         |        |           |        |        |         |         |         |
|          | 9160-2 | Trash System                          | 0           |         |         |        |           |        |        |         |         |         |
|          | 9160-3 | Rental Units                          | 0           |         |         |        |           |        |        |         |         |         |
|          | 9160-4 | Fitness Center                        | 0           |         |         |        |           |        |        |         |         |         |
|          | 9161   | Interior/Remodeling Capital Expense   | 0           |         |         |        |           |        |        |         | 24,907  |         |
|          | 9162   | Masonry/Touchpointing Capital Expense | 0           |         |         |        | 251,600   |        |        | 56,240  |         | 56,240  |
|          | 9163   | Carpentry Capital Expense             | 0           |         |         |        |           |        |        |         |         |         |
|          | 9163-1 | Carpentry-Wood Replacement            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9163-2 | Carpentry-Window Replacement          | 0           |         |         | 1,910  |           |        |        |         |         |         |
|          | 9163-3 | Carpentry-Siding Replacement          | 0           |         |         |        |           |        |        |         |         |         |
|          | 9163-4 | Carpentry-Door Replacement            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9163-5 | Carpentry-Roof Replacement            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9163-6 | Carpentry-Balcony Repair/Replacement  | 175,000     |         |         |        |           |        |        |         |         |         |
|          | 9163-7 | Carpentry-New Construction            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9163-8 | Carpentry-Hallway Stations            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9163-9 | Carpentry-Soffit Repair/Replacement   | 0           |         |         | 2,442  |           |        | 4,884  | 2,442   |         | 7,326   |
|          | 9164   | Concrete Capital Expense              | 27,635      |         |         |        |           |        |        |         |         | 30,456  |
|          | 9164-1 | Concrete-Sidewalk Replacement         | 0           |         |         |        |           |        |        |         |         |         |
|          | 9164-2 | Concrete-Curb Replacement             | 0           |         |         |        |           |        |        |         |         |         |
|          | 9164-3 | Concrete-Driveway Replacement         | 0           |         |         |        |           |        |        |         |         | 41,516  |
|          | 9164-4 | Concrete-Sloped Replacement           | 0           |         |         |        |           |        |        |         |         |         |
|          | 9164-5 | Concrete-Patio Replacement            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9165   | Hardware Capital Expense              | 0           |         |         |        |           |        |        |         |         |         |
|          | 9166   | Fencing Capital Expense               | 0           |         |         |        |           |        |        |         |         |         |
|          | 9166-1 | Fence-Wood                            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9166-2 | Fence-Aluminum                        | 0           |         |         |        |           |        |        |         |         |         |
|          | 9167   | Grounds Capital Expense               | 0           |         |         | 2,076  |           |        |        |         |         |         |
|          | 9167-1 | Grounds-Trees/Shrub Replacement       | 0           |         |         |        |           |        |        |         |         |         |
|          | 9167-2 | Grounds-Lawns, Ponds                  | 0           |         |         |        |           |        |        |         |         |         |
|          | 9168   | HVAC Capital Expense                  | 32,000      |         |         |        |           |        |        |         |         |         |
|          | 9168-1 | HVAC-Condenser Replacement            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9168-2 | HVAC-Heater Replacement               | 0           |         |         |        |           |        |        |         |         |         |
|          | 9169   | Plumbing Capital Expense              | 20,000      |         |         |        |           |        |        |         |         |         |
|          | 9169-1 | Plumbing-Installation/Replacement     | 0           |         |         |        |           |        |        |         |         |         |
|          | 9169-2 | Plumbing-Pipe Upgrades                | 0           |         |         |        |           |        |        |         |         |         |
|          | 9169-3 | Plumbing-Water Heaters                | 0           |         |         |        |           |        |        |         |         |         |
|          | 9169-4 | Plumbing-Boiler Replacement           | 0           |         |         |        |           |        |        |         |         |         |
|          | 9170   | Roof Capital Expense                  | 5,175       |         |         |        |           |        |        |         |         |         |
|          | 9170-1 | Roof-Asphalt                          | 0           |         |         |        |           |        |        |         |         |         |
|          | 9170-2 | Roof-Cedar                            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9170-3 | Roof-Flat                             | 0           | 28,930  |         | 14,465 | 43,395    | 43,395 | 43,395 | 28,930  |         |         |
|          | 9171   | Interior Painting Capital Expense     | 0           | 87,561  |         |        |           |        |        |         |         |         |
|          | 9171-1 | Interior Painting-Hallways            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9171-2 | Interior Painting-Closets             | 0           |         |         |        |           |        |        |         |         |         |
|          | 9171-3 | Interior Painting-Common Area         | 0           |         |         |        |           |        |        |         | 69,190  |         |
|          | 9172   | Exterior Painting Capital Expense     | 0           |         |         |        |           |        |        |         |         |         |
|          | 9172-1 | Exterior Painting-Building            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9172-2 | Exterior Painting-Siding              | 0           |         |         |        |           |        |        |         |         |         |
|          | 9172-3 | Exterior Painting-Trim                | 0           |         |         |        |           |        |        |         |         |         |
|          | 9173   | Asphalt Capital Expense               | 46,150      |         |         |        |           |        | 46,150 |         | 30,445  |         |
|          | 9173-1 | Asphalt-Driveway Replacement          | 0           |         |         |        |           | 50,460 |        |         |         |         |
|          | 9173-2 | Asphalt-Path Replacement              | 0           |         |         |        | 1,023,620 |        |        |         |         |         |
|          | 9174   | Electrical Capital Expense            | 0           |         |         |        |           |        |        |         |         |         |
|          | 9174-1 | Electrical-Fixture Replacement        | 0           |         |         |        |           |        |        |         |         |         |
|          | 9174-2 | Electrical-Service Repair/Replacement | 0           |         |         |        |           |        |        |         |         |         |
|          | 9175   | Siding Capital Expense                | 0           |         |         |        |           |        |        |         |         |         |
|          | 9175-1 | Siding-Aluminum                       | 0           |         |         |        |           |        |        |         |         |         |
|          | 9175-2 | Siding-Cedar                          | 0           |         |         |        |           |        |        |         |         |         |
|          | 9175-3 | Siding-Vinyl                          | 0           |         |         |        |           |        |        |         |         |         |
|          | 9175-4 | Siding-Hardy Board                    | 0           |         |         |        |           |        |        |         |         |         |
|          | 9176   | Flooring Capital Expense              | 0           |         |         |        |           |        |        |         |         |         |
|          | 9176-1 | Flooring-Tile Replacement             | 0           |         |         |        |           |        |        | 186,440 |         |         |
|          | 9176-2 | Flooring-Carpet Replacement           | 0           | 284,095 |         |        |           |        |        |         |         |         |
|          | 9176-3 | Flooring-Laminate Floors              | 0           |         |         |        |           |        |        |         |         |         |
|          | 9177   | Gutter Capital Expense                | 0           |         |         |        |           |        |        |         |         |         |
|          | 9177-1 | Gutter-Replacement                    | 0           |         |         |        |           |        |        |         |         |         |
|          | 9177-2 | Gutter-Downspout Replacement          | 0           |         |         |        |           |        |        |         |         |         |
|          | 9178   | Driveway Capital Expense              | 0           |         |         |        |           |        |        |         |         |         |
|          | 9179   | Insurance-Claim Expense               | 0           |         |         |        |           |        |        |         |         |         |
|          | 9179-1 | Insurance-Fire                        | 0           |         |         |        |           |        |        |         |         |         |
|          | 9179-2 | Insurance-Flood                       | 0           |         |         |        |           |        |        |         |         |         |
|          | 9179-3 | Insurance-Water                       | 0           |         |         |        |           |        |        |         |         |         |
|          | 9180   | Swimming Pool Capital Expense         | 50,000      |         |         |        |           |        |        |         |         |         |
|          | 9181   | Life Safety Capital Expense           | 0           |         |         |        |           |        |        |         |         |         |
|          | 9182   | Garage Capital Expense                | 0           |         |         |        |           |        |        |         |         |         |
|          | 9183   | Security Capital Expense              | 0           |         |         |        |           |        |        |         |         |         |
|          | 9184   | Capital Loan Payment                  | 19,864      | 12,013  | 3,842   | 0      | 0         | 0      | 0      | 0       | 0       | 0       |
|          | 9184-P | Loan Pymt - Principal                 | 192,709     | 200,560 | 191,017 | 0      | 0         | 0      | 0      | 0       | 0       | 0       |
|          | 9185   | Capital Loan Payment                  | 0           | 0       | 0       | 0      | 0         | 0      | 0      | 0       | 0       | 0       |
|          | 9185-P | Loan Pymt - Principal                 | 0           | 0       | 0       | 0      | 0         | 0      | 0      | 0       | 0       | 0       |
|          | 9186   | Loan Legal/Bank Fees                  | 0           |         |         |        |           |        |        |         |         |         |
|          | 9189   | Funds Trn Res to Checking             | 0           |         |         |        |           |        |        |         |         |         |
|          |        | TOTAL EXPENSES                        | 568,758     | 212,573 | 595,445 | 20,893 | 1,318,815 | 93,865 | 89,545 | 276,494 | 126,684 | 135,538 |

Beginning Reserve Cash Balance 12/31/2013

832,599

|          |                                       |         |           |           |           |           |           |           |           |           |           |
|----------|---------------------------------------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| BUDGETED | Annual Net Reserve Income(Loss)       | 148,815 | 1,132,802 | 740,018   | 1,277,498 | (46,102)  | 1,119,424 | 932,480   | 753,338   | 842,188   | 818,734   |
|          | Cumulative Reserve Cash Flow          | 981,414 | 2,114,216 | 2,854,234 | 4,131,732 | 4,085,630 | 5,205,054 | 6,137,534 | 6,890,872 | 7,733,060 | 8,551,794 |
|          | Reserve Balance Recommended per Study |         |           |           |           |           |           |           |           |           |           |
|          | % of Underfunding                     | 0.00%   | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     |
|          |                                       | 0       | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |

|  |   |         |           |           |           |           |           |           |           |           |           |
|--|---|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Assumed 3% Annual Increase of Future Reserve Contributions | Percent Increase                              | 3%      |           |           |           |           |           |           |           |           |           |
|  | Annual Contribution to Reserves - 3% Increase | 717,573 | 739,100   | 761,273   | 784,111   | 807,635   | 831,864   | 856,820   | 882,524   | 909,000   | 936,270   |
|  | Annual Net Reserve Income(Loss)               | 148,815 | 526,527   | 165,828   | 763,218   | (511,180) | 738,009   | 767,275   | 606,030   | 782,016   | 800,732   |
|  | Cumulative Reserve Cash Flow                  | 981,414 | 1,507,941 | 1,673,769 | 2,436,988 | 1,925,808 | 2,663,816 | 3,431,091 | 4,037,121 | 4,819,137 | 5,619,869 |
|  | Reserve Balance Recommended per Study         | 0       | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
|  | % of Underfunding                             | 0.00%   | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     |

NOTE: The above assumptions are based upon the most recent Reserve Study dated 6/2010 and input from the Board. Lieberman Management Services recommends a new Reserve Study every three to five years.

# The Dana Point Condo (#0554) 2013 Projection

|                  |                                | Actual   | Actual   | Actual   | Actual   | Actual   | Actual   | Actual   | Proj     | Proj     | Proj     | Proj     | Proj     | 2013         |              |           |         | Variance  | Variance |  |
|------------------|--------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--------------|--------------|-----------|---------|---|----------|--|
| GL               | DESCRIPTION                    | JAN      | FEB      | MAR      | APR      | MAY      | JUN      | JUL      | AUG      | SEP      | OCT      | NOV      | DEC      | TOTAL        | BUDGET       | \$        | %       | NOTES   |          |  |
| OPERATING BUDGET |                                |          |          |          |          |          |          |          |          |          |          |          |          |              |              |           |         |   |          |  |
| 4010             | Assessments - Regular          | -104,858 | -104,858 | -104,858 | -104,858 | -104,858 | -104,858 | -104,858 | -104,858 | -104,858 | -104,858 | -104,858 | -104,862 | -\$1,258,300 | -\$1,258,300 | \$0       | 0.0%    |   |          |  |
| 4011             | Assessment, Reserve            | -40,431  | -40,431  | -40,431  | -40,431  | -40,431  | -40,431  | -40,431  | -40,431  | -40,431  | -40,431  | -40,431  | -40,433  | -\$485,174   | -\$485,174   | \$0       | 0.0%    |   |          |  |
| 4012             | Bank Loan Payment              | -11,721  | -11,721  | -11,721  | -11,721  | -11,721  | -11,721  | -11,721  | -11,721  | -11,721  | -11,721  | -11,721  | -11,719  | -\$140,650   | -\$140,650   | \$0       | 0.0%    |   |          |  |
| 4020             | Late Charges                   | 0        | 0        | -1,250   | -1,075   | -750     | -525     | -120     | -300     | -300     | -300     | -300     | 0        | -\$4,920     | -\$3,600     | -\$1,320  | 36.7%   | More late fees than budgeted  |          |  |
| 4030             | Move In/Move Out Fees          | -150     | -1,200   | -50      | -450     | -300     | -900     | -450     | -833     | -833     | -833     | -833     | -837     | -\$7,669     | -\$10,000    | \$2,331   | -23.3%  | Move in fees reduced from anticipated amount  |          |  |
| 4050             | Violation Income               | 0        | 0        | 0        | 0        | -800     | 0        | -1,900   | -50      | 0        | -50      | 0        | -50      | -\$2,850     | -\$600       | -\$2,250  | 375.0%  | More inspections being completed led to more violations noted.  |          |  |
| 4060             | Locker Rental Income           | -1,185   | -1,185   | -1,125   | -1,150   | -1,140   | -1,145   | -1,150   | -1,230   | -1,230   | -1,230   | -1,230   | -1,230   | -\$14,230    | -\$15,360    | \$1,130   | -7.4%   |   |          |  |
| 4110             | Laundry Room Income            | -5,488   | -4,814   | -5,126   | -4,622   | -4,480   | -4,780   | -4,327   | -4,333   | -4,333   | -4,333   | -4,333   | -4,337   | -\$55,306    | -\$52,000    | -\$3,306  | 6.4%    |   |          |  |
| 4111             | Fitness Room Income            | 0        | 0        | 0        | 0        | -65      | -60      | -55      | 0        | 0        | 0        | 0        | 0        | -\$180       | \$0          | -\$180    | New     | Pool Passes   |          |  |
| 4130             | Key Charges                    | -152     | -122     | -200     | -77      | -200     | -237     | -345     | 0        | 0        | 0        | 0        | 0        | -\$1,333     | \$0          | -\$1,333  | New     | Building Keys, tennis court keys, storage room  |          |  |
| 4140             | Unit Rental Income             | -5,530   | -5,530   | -5,530   | -5,530   | -5,530   | -5,530   | -5,555   | -5,605   | -5,605   | -5,605   | -5,605   | -5,605   | -\$66,760    | -\$67,260    | \$500     | -0.7%   |   |          |  |
| 4330             | PAL/Transfer Fees              | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | \$0          | -\$6,000     | \$6,000   | -100.0% | PAL's closings completed at LMS Corporate   |          |  |
| 4610             | Checking Account Interest      | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | \$0          | -\$100       | \$100     | -100.0% | NO interest on checking account   |          |  |
| 4995             | Miscellaneous Income           | 0        | -20      | -60      | -200     | 0        | -186     | 41       | -83      | -83      | -83      | -83      | -87      | -\$844       | -\$1,000     | \$156     | -15.6%  | Garage remotes.   |          |  |
| 7011             | On Site Manager                | 10,592   | 5,414    | 4,125    | 5,414    | 5,414    | 5,414    | 235      | 0        | 5,414    | 5,414    | 5,414    | 5,414    | \$58,264     | \$0          | \$58,264  | New     | Manager Salary, previously included with Management Agreement for total   |          |  |
| 7012             | Assistant Manager              | 6,620    | 3,384    | 4,028    | 3,384    | 3,384    | 3,384    | -4,855   | 0        | 3,384    | 3,384    | 3,384    | 3,384    | \$32,865     | \$0          | \$32,865  | New     | Assistant Salary. Previously included in management agreement for total   |          |  |
| 7020             | Maintenance Salaries           | 14,240   | 11,572   | 10,381   | 10,349   | 10,306   | 10,444   | 10,399   | 11,134   | 11,134   | 11,134   | 11,134   | 11,129   | \$133,356    | \$133,603    | -\$247    | -0.2%   |   |          |  |
| 7065             | Payroll Process Fees           | 10       | 10       | 204      | 243      | 232      | 240      | 127      | 240      | 240      | 240      | 240      | 240      | \$2,266      | \$864        | \$1,402   | 162.3%  | Pass though of all ADP processing fees less then previous company   |          |  |
| 7082             | FICA Tax Expense               | 791      | 1,184    | 794      | 792      | 788      | 799      | 795      | 800      | 800      | 1,185    | 800      | 800      | \$10,328     | \$10,800     | -\$472    | -4.4%   |   |          |  |
| 7083             | Federal Unemployment Tax       | 62       | 31       | 3        | 31       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | \$127        | \$500        | -\$373    | -74.6%  | 2013 budget amount higher than necessary  |          |  |
| 7084             | State Unemployment Tax         | 346      | 348      | 284      | 112      | 206      | 0        | 50       | 0        | 0        | 0        | 0        | 0        | \$1,346      | \$500        | \$846     | 169.2%  | 20-13 budgeted amount not sufficient  |          |  |
| 7085             | Workers Comp Insurance         | 1,870    | 0        | 0        | 0        | 0        | 1,907    | 1,907    | 0        | 0        | 2,000    | 0        | 0        | \$7,684      | \$5,600      | \$2,084   | 37.2%   | Quarterly invoice for work comp. insurance higher than budgeted amount  |          |  |
| 7086             | Medical/Life Insurance         | 3,421    | -263     | -344     | 1,754    | 799      | 1,899    | 564      | 730      | 545      | 730      | 545      | 730      | \$11,110     | \$7,600      | \$3,510   | 46.2%   | \$7650 per year with reimbursements applied, December 2012 invoice paid in 2013   |          |  |
| 7210             | Electricity                    | 6,587    | 6,685    | 6,289    | 6,266    | 5,106    | 6,774    | 8,015    | 7,542    | 7,542    | 7,542    | 7,542    | 7,538    | \$83,428     | \$90,500     | -\$7,072  | -7.8%   |   |          |  |
| 7221             | Water                          | 19,142   | 0        | 0        | 20,894   | 20,752   | 0        | 21,271   | 0        | 21,000   | 0        | 21,000   | 0        | \$124,059    | \$115,000    | \$9,059   | 7.9%    |   |          |  |
| 7230             | Gas                            | 6,972    | 9,770    | 8,760    | 8,250    | 6,566    | 6,186    | 5,799    | 6,700    | 8,498    | 8,498    | 8,498    | 8,492    | \$92,989     | \$101,970    | -\$8,981  | -8.8%   |   |          |  |
| 7410             | Scavenger Services             | 2,774    | 2,761    | 2,755    | 2,928    | 2,927    | 2,927    | 2,892    | 2,927    | 2,927    | 2,927    | 2,927    | 2,927    | \$34,599     | \$41,604     | -\$7,005  | -16.8%  | Scavenger increase in 2013  |          |  |
| 7412             | Compactor/Trash Chute          | 0        | 0        | 0        | 1,567    | 0        | 492      | 0        | 333      | 333      | 333      | 333      | 337      | \$3,728      | \$4,000      | -\$272    | -6.8%   |   |          |  |
| 7420             | Exterminating                  | 136      | 136      | 281      | 136      | 0        | 1,836    | 171      | 136      | 136      | 136      | 136      | 136      | \$3,376      | \$9,220      | -\$5,844  | -63.4%  | 2013 Budget higher than necessary for annual service  |          |  |
| 7431             | Cleaning Contract              | 15,684   | 0        | 4,513    | 6,500    | 6,500    | 6,500    | 6,500    | 6,900    | 6,690    | 6,500    | 6,500    | 6,500    | \$79,287     | \$73,080     | \$6,207   | 8.5%    |   |          |  |
| 7433             | Carpet Cleaning                | 0        | 360      | 180      | 0        | 7,467    | 180      | 180      | 380      | 380      | 180      | 7,467    | 180      | \$16,954     | \$25,582     | -\$8,628  | -33.7%  | Less touch ups between service, may still use as needed   |          |  |
| 7450             | Fire Prevention                | 3,901    | 3,164    | 234      | 617      | 1,977    | 234      | 3,125    | 1,893    | 1,893    | 1,893    | 1,893    | 1,887    | \$22,711     | \$22,710     | \$1       | 0.0%    |   |          |  |
| 7462             | Elevator Repairs/Services      | 140      | 296      | 3,437    | 339      | 1,988    | 362      | 2,268    | 2,000    | 2,000    | 2,000    | 2,000    | 2,000    | \$18,830     | \$33,912     | -\$15,082 | -44.5%  | NO major repairs needed or expected   |          |  |
| 7465             | Generator Services             | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | \$0          | \$0          | \$0       | New     | Generator maintenance contract plus repairs   |          |  |
| 7470             | Security Services              | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | \$0          | \$12,000     | -\$12,000 | -100.0% | Cancelled service for 2013  |          |  |
| 7475             | All Uniform Expenses           | 0        | 0        | 0        | 0        | 610      | 380      | 0        | 197      | 0        | 0        | 0        | 0        | \$1,187      | \$1,200      | -\$13     | -1.1%   |   |          |  |
| 7495             | Other Building Services        | 144      | 639      | 356      | 0        | 0        | 490      | 0        | 375      | 375      | 375      | 375      | 379      | \$3,508      | \$4,504      | -\$996    | -22.1%  | Misc category not itemized for 2013, excess fund  |          |  |
| 7607             | Maintenance Supplies           | 1,157    | 0        | -96      | 0        | 0        | 410      | 170      | 350      | 350      | 350      | 350      | 350      | \$3,391      | \$4,200      | -\$809    | -19.3%  | May have been intended in part of other line item in 2013   |          |  |
| 7610             | Plumbing Repairs/Supplies      | 495      | 83       | 205      | 332      | 1,084    | 1,121    | 1,418    | 19,000   | 500      | 0        | 500      | 0        | \$24,738     | \$15,120     | \$9,618   | 63.6%   | Rodding for all horz. and vert. lines, 2013 additional services and repairs completed above budget                                  |          |  |
| 7620             | Electric Repairs/Supplies      | 0        | 2,400    | 826      | 0        | 0        | 0        | 490      | 400      | 400      | 400      | 400      | 400      | \$5,716      | \$4,800      | \$916     | 19.1%   | No major electric repairs needed  |          |  |
| 7621             | Lights, Bulbs and Tubes        | 2,085    | 14       | 0        | 81       | 622      | 274      | 1,392    | 417      | 417      | 417      | 417      | 417      | \$6,553      | \$5,004      | \$1,549   | 31.0%   | 2013 budget estimated low for replacement bulbs on all fixtures   |          |  |
| 7632             | HVAC Repairs/Supplies          | 0        | 586      | 0        | 0        | 1,980    | 2,476    | 923      | 0        | 1,540    | 0        | 0        | 837      | \$8,342      | \$10,000     | -\$1,658  | -16.6%  | 2013 new units out of reserves reduced repairs needed to date   |          |  |
| 7642             | Doors, Locks & Keys            | 114      | 1,296    | 1,307    | 335      | 0        | 1,134    | -305     | 0        | 417      | 0        | 0        | 413      | \$4,711      | \$5,000      | -\$289    | -5.8%   |   |          |  |
| 7645             | Garage Door Repairs            |          |          |          |          |          |          | 0        |          |          |          |          | 0        | \$0          | \$0          | \$0       | New     |   |          |  |
| 7646             | Building Equipment Repairs     | 0        | 300      | 0        | 150      | 1,118    | 0        | 0        | 0        | 499      | 499      | 0        | 0        | \$2,566      | \$5,990      | -\$3,424  | -57.2%  | General category not specific for contracted repairs, may have used different line item for payment in 2013 that original intention |          |  |
| 7647             | Garage Maintenance/Repairs     | 438      | 1,967    | 822      | 450      | 0        | 4,963    | 348      | 5,000    | 0        | 0        | 2,000    | 2,000    | \$17,988     | \$24,000     | -\$6,012  | -25.1%  | Minimal repairs to garage completed, will need to budget for waterproofing in 2014  |          |  |
| 7651             | Interior Painting & Decorating | 171      | 0        | 996      | 296      | 673      | 0        | 358      | 335      | 335      | 335      | 335      | 335      | \$4,169      | \$4,020      | \$149     | 3.7%    |   |          |  |
| 7652             | Exterior Painting & Decorating | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 417      | 417      | 417      | 417      | 413      | \$2,081      | \$5,000      | -\$2,919  | -58.4%  | Painting to be done after plants are removed  |          |  |
| 7661             | Masonry & Tuckpointing         | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 1,000    | 1,000    | 1,000    | 0        | 0        | \$3,000      | \$40,000     | -\$37,000 | -92.5%  |   |          |  |
| 7670             | Roof Repairs & Supplies        | 0        | 0        | 0        | 4,100    | 0        | 0        | 0        | 10,100   | 1,450    | 0        | 0        | 1,350    | \$17,000     | \$17,000     | \$0       | 0.0%    |   |          |  |
| 7693             | Cleaning Supplies              | 0        | 47       | 0        | 166      | 0        | 0        | 736      | 167      | 167      | 167      | 167      | 163      | \$1,780      | \$2,000      | -\$220    | -11.0%  | Most supplies provided by cleaning crew, purchase of paper products and tile cleaner  |          |  |
| 7805             | Contract Landscape Services    | 0        | 0        | 8,100    | 8,100    | 8,100    | 8,100    | 8,100    | 8,100    | 8,100    | 8,100    | 8,100    | 0        | \$64,800     | \$93,800     | -\$29,000 | -30.9%  | Landscape only, previously included snow  |          |  |
| 7810             | Landscape - Additional         | 0        | 0        | 0        | 0        | 0        | 1,896    | 0        | 2,590    | 2,093    | 2,093    | 0        | 0        | \$8,672      | \$25,110     | -\$16,438 | -65.5%  | Minimal enhancements due to building entrance issue, move bushes into 7811  |          |  |
| 7811             | Trees & Bushes                 | 0        | 0        | 0        | 6,950    | 2,335    | 1,795    | 0        | 2,000    | 2,500    | 1,441    | 0        | 0        | \$17,021     | \$17,295     | -\$274    | -1.6%   |   |          |  |
| 7841             | Normal Snow Removal            |          |          |          |          |          |          | 0        |          |          |          |          | 0        | \$0          | \$0          | \$0       | New     |   |          |  |
| 7843             | Ice Control                    | 13,795   | 7,645    | 26,240   | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 7,700    | 7,700    | \$63,080     | \$30,000     | \$33,080  | 110.3%  | Previously for ice melt only, includes snow   |          |  |
| 7870             | Streets & Sidewalks            | 0        | 0        | 0        | 0        | 0        | 0        | 772      | 6,000    | 0        | 0        | 0        | 0        | \$6,772      | \$10,000     | -\$3,228  | -32.3%  | Sealcoating only, no replacements this year   |          |  |
| 7880             | Concrete Repair/Replacement    | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | \$0          | \$5,000      | -\$5,000  | -100.0% | no replacements scheduled for 2013  |          |  |
| 7890             | Vehicle Expenses               | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 75       | 75       | 75       | 75       | 75       | \$375        | \$900        | -\$525    | -58.3%  | NO major repairs to cart needed   |          |  |
| 8012             | Pool Contract                  | 2,514    | 0        | 0        | 3,770    | 6,284    | 6,284    | 5,027    | 1,257    | 0        | 0        | 0        | 0        | \$25,136     | \$28,604     | -\$3,468  | -12.1%  | 2013 budget too high for actual contract amount   |          |  |
| 8020             | Pool Chemicals                 | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | \$0          | \$1,500      | -\$1,500  | -100.0% | Chemicals provided  |          |  |

## The Dana Point Condo (#0554) 2013 Projection

| GL     | DESCRIPTION                     | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Proj   | Proj   | Proj   | Proj   | Proj   | 2013 Variance Variance |           |          |        | NOTES  |
|--------|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------------------------|-----------|----------|--------|--|
|        |                                 | JAN    | FEB    | MAR    | APR    | MAY    | JUN    | JUL    | AUG    | SEP    | OCT    | NOV    | DEC    | TOTAL                  | BUDGET    | \$       | %      |  |
| 8520   | Legal Services (Residents)      | 0      | 0      | 256    | 496    | -240   | 3,184  | 0      | 200    | 200    | 200    | 200    | 200    | \$4,696                | \$0       | \$4,696  | New    | Resident chargebacks for collections   |
| 8520-5 | Legal Services Reimb (Resident) | 0      | -256   | -496   | 0      | 240    | -3,184 | 0      | -200   | -200   | -200   | -200   | -200   | -\$4,696               | \$0       | -\$4,696 | New    | Resident payments of chargebacks for collection  |
| 8521   | Legal Services (Assn)           | 475    | 64     | 500    | 1,000  | 740    | 500    | 500    | 750    | 750    | 750    | 750    | 750    | \$7,529                | \$9,000   | -\$1,471 | -16.3% | Budget for retainer amount too high  |
| 8530   | Audit & Financial Services      | 0      | 0      | 6,500  | 0      | 3,000  | 0      | 0      | 0      | 0      | 0      | 0      | 0      | \$9,500                | \$9,000   | \$500    | 5.6%   |  |
| 8540   | Professional Services           |        |        |        |        |        |        | 0      | 1,500  | 5,000  |        |        |        | \$6,500                | \$0       | \$6,500  | New    | Enigneering opinions, project management, permit drawings  |
| 8550   | General Office Expenses         | 388    | 448    | 298    | 165    | 212    | 212    | 0      | 375    | 375    | 375    | 375    | 375    | \$3,598                | \$4,500   | -\$902   | -20.0% | Conservative supply use and purchase in office   |
| 8551   | Photocopy/Reproduction          | 0      | 737    | 0      | 25     | -25    | 0      | 0      | 285    | 285    | 285    | 285    | 285    | \$2,162                | \$3,420   | -\$1,258 | -36.8% | All copies done in house, no outside printing  |
| 8552   | Postage Expenses                | 0      | 268    | 214    | 0      | 700    | 208    | 238    | 225    | 225    | 225    | 225    | 225    | \$2,753                | \$2,700   | \$53     | 2.0%   |  |
| 8553   | Coupon Books/Lockbox Fee        | 0      | 0      | -10    | 0      | -20    | 0      | 0      | 0      | 0      | 0      | 0      | 0      | -\$30                  | \$0       | -\$30    | New    | Amount will cancel out for owner replacement coupon books. Account line should be \$0                            |
| 8554   | Bank Charges                    | 0      | 0      | 629    | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | \$629                  | \$4,008   | -\$3,379 | -84.3% | Current contract includes bank fee   |
| 8556   | Dues, Fees, & Licenses          | 1,000  | 0      | 853    | 150    | 0      | 44     | 1,250  | 330    | 330    | 330    | 330    | 324    | \$4,941                | \$3,954   | \$987    | 25.0%  |  |
| 8557   | Office Equipment Expense        | 724    | 81     | 834    | 530    | 873    | 434    | 1,244  | 525    | 525    | 525    | 525    | 525    | \$7,345                | \$6,300   | \$1,045  | 16.6%  |  |
| 8560   | Telephone/Pager Expense         | 3,759  | 2,601  | 1,173  | 2,423  | 1,244  | 4,945  | 2,492  | 1,337  | 1,337  | 1,337  | 1,337  | 1,333  | \$25,318               | \$16,040  | \$9,278  | 57.8%  | Telephone lines under contract in 2013, fire alarm circuits may have previously been included in fire prevention |
| 8562   | Renting Expense                 | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 208    | 208    | 208    | 208    | 212    | \$1,044                | \$2,500   | -\$1,456 | -58.2% | All units renewed, no new tenants or renting   |
| 8565   | Internet/Website Expense        | 107    | 0      | 107    | 107    | 107    | 113    | 223    | 113    | 113    | 113    | 113    | 113    | \$1,329                | \$0       | \$1,329  | New    | New line item for office internet contract   |
| 8570   | Community Newsletter            | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 150    | 150    | 150    | 150    | 150    | \$750                  | \$1,800   | -\$1,050 | -58.3% | No newsletters produced, will begin in house   |
| 8575   | Promotions/Social Activity      | 0      | 16     | 3      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | \$19                   | \$1,200   | -\$1,181 | -98.4% | NO Social activities for 2013  |
| 8592   | Bad Debt Write-Offs             | 0      | 0      | -6,011 | 0      | 0      | 164    | 5,395  | 1,000  | 1,000  | 1,000  | 1,000  | 10,000 | \$13,548               | \$12,000  | \$1,548  | 12.9%  | Write offs under new line item   |
| 8595   | Other Administrative Expense    | 0      | 0      | 185    | 0      | 300    | 0      | 270    | 42     | 42     | 42     | 42     | 38     | \$961                  | \$500     | \$461    | 92.2%  | 2012 expense charged in 2013   |
| 8710   | All Association Insurance       | 19,517 | 0      | 0      | 0      | 41,989 | 9,481  | 7,574  | 9,481  | 9,481  | 9,481  | 9,481  | 9,481  | \$125,966              | \$131,806 | -\$5,840 | -4.4%  |  |
| 8801   | Budgeted Trsf to Res            | 40,431 | 40,431 | 40,431 | 40,431 | 40,431 | 40,431 | 40,431 | 40,431 | 40,431 | 40,431 | 40,431 | 40,433 | \$485,174              | \$485,174 | \$0      | 0.0%   |  |
| 8806   | Interest Transfer to Reserve    | 996    | 996    | 996    | 996    | 996    | 996    | 996    | 996    | 996    | 996    | 996    | 993    | \$11,949               | \$11,949  | \$0      | 0.0%   |  |
| 8807   | Loan Payment                    | 10,725 | 10,725 | 10,725 | 10,725 | 10,725 | 10,725 | 10,725 | 10,725 | 10,725 | 10,725 | 10,725 | 10,727 | \$128,702              | \$128,702 | \$0      | 0.0%   |  |

**Operating Loss/(Income)**      \$ 26,509   \$ (50,541)   \$ (25,084)   \$ (15,385)   \$ 32,093   \$ (19,128)   \$ (16,345)   \$ 2,191   \$ (203)   \$ (29,039)   \$ (6,372)   \$ (23,170)   \$ (124,474)   \$ 801   \$ (125,275)

### The Dana Point Condo (#0554) 2013 Reserve Projection

| RESERVE BUDGET |                                      |         |         |         |         |         |         |         |         |         |          |         |         |            |            |            |         |   |
|----------------|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|---------|---------|------------|------------|------------|---------|---|
| 9001           | Budgeted Operating Fund to Reserves  | -40,431 | -40,431 | -40,431 | -40,431 | -40,431 | -40,431 | -40,431 | -40,431 | -40,431 | -40,431  | -40,431 | -40,433 | -\$485,174 | -\$485,174 | \$0        | 0.0%    |   |
| 9005           | Bdgt Oper Fnd to Res                 | -11,721 | -11,721 | -11,721 | -11,721 | -11,721 | -11,721 | -11,721 | -11,721 | -11,721 | -11,721  | -11,721 | -11,719 | -\$140,650 | -\$140,650 | \$0        | 0.0%    |   |
| 9025           | Reserve Interest Inc                 | 0       | 0       | 0       | 0       | 0       | -12     | -20     | 0       | 0       | 0        | 0       | 0       | -\$32      | -\$800     | \$768      | -96.0%  | NO interest on reserve checking                 |
| 9041           | Loan Proceeds                        |         |         |         |         |         | 0       | 0       | 0       | 0       | -378,700 | 0       | 0       | -\$378,700 | \$0        | -\$378,700 | New     | Draw remaining balance from Line of Credit/Loan |
| 9101           | Bank Service Fees                    |         |         |         |         |         | 25      |         |         |         |          |         | 0       | \$25       | \$0        | \$25       | New     |   |
| 9150           | Reserve Study                        | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0        | 0       | 0       | \$0        | \$5,000    | -\$5,000   | -100.0% | no study completed                              |
| 9160-1         | Building Capital Expenses            | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0        | 0       | 0       | \$0        | \$12,000   | -\$12,000  | -100.0% |   |
| 9160-2         | Trash System                         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0        | 0       | 0       | \$0        | \$8,000    | -\$8,000   | -100.0% |   |
| 9160-3         | Rental Units                         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0        | 0       | 0       | \$0        | \$2,400    | -\$2,400   | -100.0% |   |
| 9160-4         | Fitness Center                       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 167     | 167     | 167      | 167     | 163     | \$831      | \$2,000    | -\$1,169   | -58.5%  |   |
| 9162           | Masonry/Tuckpointing Capital Expense | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 833     | 833     | 833      | 833     | 837     | \$4,169    | \$10,000   | -\$5,831   | -58.3%  |   |
| 9163-4         | Carpentry-Door Replacement           | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 483     | 483     | 483      | 483     | 487     | \$2,419    | \$5,800    | -\$3,381   | -58.3%  |   |
| 9163-6         | Carpentry-Balcony Repair/Replacement | 0       | 2,425   | 0       | 0       | 7,380   | 6,435   | 46,238  | 27,996  | 1,100   | 0        | 0       | 0       | \$91,574   | \$220,000  | -\$128,426 | -58.4%  |   |
| 9164           | Concrete Capital Expense             | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 292     | 292     | 292      | 292     | 288     | \$1,456    | \$3,500    | -\$2,044   | -58.4%  |   |
| 9168           | HVAC Capital Expense                 | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 43,643  | 0       | 0        | 0       | 0       | \$43,643   | \$12,000   | \$31,643   | 263.7%  |   |
| 9169           | Plumbing Capital Expense             | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 3,333   | 3,333   | 3,333    | 3,333   | 3,337   | \$16,669   | \$40,000   | -\$23,331  | -58.3%  |   |
| 9169-3         | Plumbing-Water Heaters               | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 500     | 500     | 500      | 500     | 500     | \$2,500    | \$6,000    | -\$3,500   | -58.3%  |   |
| 9173           | Asphalt Capital Expense              | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 8,333   | 8,333   | 8,333    | 8,333   | 8,337   | \$41,669   | \$100,000  | -\$58,331  | -58.3%  |   |
| 9174           | Electrical Capital Expense           | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0        | 0       | 0       | \$0        | \$1,500    | -\$1,500   | -100.0% |   |
| 9174-1         | Electrical-Fixture Replacement       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0        | 0       | 0       | \$0        | \$1,500    | -\$1,500   | -100.0% |   |
| 9180           | Swimming Pool Capital Expense        | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0        | 0       | 0       | \$0        | \$2,400    | -\$2,400   | -100.0% |   |
| 9182           | Garage Capital Expense               | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0        | 0       | 0       | \$0        | \$4,600    | -\$4,600   | -100.0% |   |
| 9184           | Capital Loan Payment                 | 1,055   | 1,055   | 953     | 950     | 896     | 893     | 833     | 996     | 996     | 996      | 996     | 996     | \$11,615   | \$11,949   | -\$334     | -2.8%   |   |
| 9184-P         | Loan Principal Pymt                  | 0       | 0       | 0       | 0       | 0       | 10,725  | 10,725  | 10,725  | 10,725  | 10,725   | 10,725  | 10,725  | \$75,075   | \$128,702  | -\$53,627  | -41.7%  |   |

**Reserve Total**      \$ (51,097)   \$ (48,672)   \$ (51,199)   \$ (51,202)   \$ (43,876)   \$ (34,086)   \$ 5,624   \$ 45,149   \$ (25,390)   \$ (405,190)   \$ (26,490)   \$ (26,482)   \$ (712,911)   \$ (49,273)   \$ (663,638)