

| REVISED: November 12, 2010 at 1800 hours              | TALL FIRS CONDOMINIUM ASSOCIATION         |                  |                 |                |   |
|---|---|------------------|-----------------|----------------|---|
|   | 2011 ADOPTED BUDGET w/ 5.0% DUES INCREASE |                  |                 |                |   |
|   | 2010<br>BUDGET                            | 2011<br>PROPOSED | 2011<br>ADOPTED | 2011<br>ACTUAL | NOTES   |
| <b><u>OPERATING INCOME</u></b>                        |   |                  |                 |                |   |
| MONTHLY ASSESSMENTS                                   | 650,756                                   | 683,294          |                 |                | 5.0% Increase = \$32,520 to Reserves + \$18 to Ops                            |
| RESIDENT MANAGER'S UNIT (RMU) ASSESSMENT              | -3,408                                    | -3,576           |                 |                | RMU deduction @ \$298 / month = \$14 / month increase                         |
| LATE FEES / NSF CHARGES                               | 5,000                                     | 4,500            |                 |                |   |
| BAD DEBT COLLECTION                                   | -8,250                                    | -8,250           |                 |                | Potential Board Approved Write-Off's  |
| INTEREST INCOME                                       | 0   | 0                |                 |                |   |
| OTHER INCOME  | 0   | 0                |                 |                |   |
| <b>NET OPERATING INCOME:</b>                          | <b>644,098</b>                            | <b>675,968</b>   | <b>0</b>        | <b>0</b>       |   |
| <b><u>OPERATING EXPENSES</u></b>                      |   |                  |                 |                |   |
| <b>PAYROLL EXPENSES</b>                               |   |                  |                 |                |   |
| RESIDENT MANAGER SALARY (John Roundtree)              | 30,400                                    | 31,600           |                 |                | Includes raise on anniversary hire date 9-16-11 (3.5 mo x \$100)              |
| ASSISTANT MANAGER SALARY (Mick Crawford)              | 4,800                                     | 10,750           |                 |                | 104 days+10 holidays+10 vacation = 124 days @ 10 hr / day @ \$8.67 (min wage) |
| MAINTENANCE / GENERAL REPAIR WAGES (Richard Williams) | 27,640                                    | 21,150           |                 |                | \$10 / hr - Includes raise on anniversary hire date 9-16-11 (3.5 mo x \$100)  |
| MAINTENANCE / GENERAL REPAIR WAGES - (Part-Time)      | 0   | 8,667            |                 |                | \$10 / hr - Spring through Fall - 5 mos                                       |
| MEDICAL BENEFITS                                      | 7,760                                     | 3,600            |                 |                | \$300 / month (Resident Manager)  |
| YEAR-END BONUS  | 1,250                                     | 750              |                 |                | \$500 (Resident Manager) / \$250 (Maint)                                      |
| OTHER PAYROLL EXPENSES                                | 0   | 0                |                 |                |   |
| PAYROLL TAXES   | 10,500                                    | 9,947            |                 |                | Estimate at 13% of Payroll  |
| <b>TOTAL PAYROLL EXPENSES:</b>                        | <b>82,350</b>                             | <b>86,464</b>    | <b>0</b>        | <b>0</b>       |   |
| <b>ADMINISTRATIVE EXPENSES</b>                        |   |                  |                 |                |   |
| VEHICLE ALLOWANCE                                     | 1,800                                     | 1,800            |                 |                | \$150 per month (Resident Manager) - non-taxable                              |
| RMU - ELECTRICAL ALLOWANCE                            | 0   | 1,500            |                 |                | Allowance for partial RMU electrical - \$125 / month - non-taxable            |
| LEGAL SERVICES  | 9,600                                     | 12,000           |                 |                | Unreimbursed  |
| ACCOUNTING SERVICES                                   | 1,500                                     | 1,500            |                 |                | 2010 Audit and IRS 1120H Preparation  |
| OFFICE SUPPLIES                                       | 4,200                                     | 3,300            |                 |                |   |
| BANK SERVICE CHARGES                                  | 360                                       | 600              |                 |                | Potential Future Charges by Financial Institutions                            |
| TELEPHONE SERVICES                                    | 2,600                                     | 2,600            |                 |                | Required pool emergency phone + DSL Cabana security system line               |
| POSTAGE   | 1,200                                     | 1,200            |                 |                |   |
| LICENSES / FEES                                       | 995                                       | 1,600            |                 |                | Pool, spa, building permits, etc.   |
| MANAGEMENT FEES                                       | 40,800                                    | 43,200           |                 |                | 2009 and 2010 @ \$3,400 / mo + \$200 / month increase for 2011                |
| WIRELESS AND COMPUTER                                 | 1,000                                     | 1,800            |                 |                | Cellular phone (2) + computer wireless access                                 |
| OTHER ADMINISTRATIVE EXPENSES                         | 4,550                                     | 5,350            |                 |                | Includes 12 (monthly) Exec Board Mtgs @ \$100 for Property Manager attendance |
| <b>TOTAL ADMINISTRATIVE EXPENSES:</b>                 | <b>68,605</b>                             | <b>76,450</b>    | <b>0</b>        | <b>0</b>       |   |

|   | 2010<br>BUDGET | 2011<br>PROPOSED | 2011<br>ADOPTED | 2011<br>ACTUAL | NOTES   |
|---|----------------|------------------|-----------------|----------------|---|
| <b>REPAIR / MAINTENANCE EXPENSES</b>        |                |                  |                 |                |   |
| CARPET CLEANING / REPAIR                    | 0              | 300              |                 |                | Cabana carpet   |
| PAINTING LABOR / SUPPLIES                   | 1,000          | 1,000            |                 |                |   |
| PLUMBING LABOR / SUPPLIES                   | 1,000          | 1,000            |                 |                |   |
| ELECTRICAL LABOR / SUPPLIES                 | 15,000         | 9,000            |                 |                | Non-Reserve maintenance and repairs                             |
| GARBAGE / DUMPSTER                          | 1,500          | 500              |                 |                | Misc haul-off   |
| CABANA                                      | 500            | 500              |                 |                | TP, towels, soap, cups, spoons, coffee, snacks, etc.            |
| GUTTER CLEANING / REPAIR                    | 0              | 0                |                 |                |   |
| HVAC REPAIR                                 | 0              | 0                |                 |                |   |
| FIRE EXTINGUISHER / INSPECTIONS             | 1,200          | 1,300            |                 |                | Majority replaced in 2008 - Due in 2014 (replace every 6 years) |
| PEST / INSECT EXTERMINATION                 | 1,200          | 3,000            |                 |                |   |
| SECURITY SERVICES                           | 0              | 0                |                 |                |   |
| DRYER VENT CLEANING                         | 0              | 0                |                 |                | Done in 2009 - Due in 2012                                      |
| CHIMNEY CLEANING                            | 0              | 0                |                 |                | Done in 2009 - Due in 2012                                      |
| ROOF REPAIR                                 | 0              | 0                |                 |                |   |
| BUILDING / MISCELLANEOUS SUPPLIES           | 9,600          | 6,000            |                 |                |   |
| GENERAL MAINTENANCE SERVICES                | 9,000          | 9,000            |                 |                |   |
| DOOR / LOCK REPLACEMENT                     | 750            | 425              |                 |                |   |
| OTHER REPAIR / MAINTENANCE EXPENSES         | 0              | 0                |                 |                |   |
| <b>TOTAL REPAIR / MAINTENANCE EXPENSES:</b> | <b>40,750</b>  | <b>32,025</b>    | <b>0</b>        | <b>0</b>       |   |
| <b>GROUNDS EXPENSES</b>                     |                |                  |                 |                |   |
| IRRIGATION SUPPLIES                         | 2,000          | 2,000            |                 |                |   |
| FOUNTAIN                                    | 2,500          | 500              |                 |                | Planter   |
| TREE REMOVAL                                | 1,500          | 1,500            |                 |                | Emergency removal   |
| LANDSCAPE SERVICES                          | 93,960         | 93,960           |                 |                | Earth Tech Landscape  |
| SPRAYING / TREES AND SHRUBS                 | 2,950          | 2,950            |                 |                |   |
| SHRUB / TREE REPLACEMENT                    | 4,000          | 0                |                 |                |   |
| BEAUTY BARK                                 | 4,000          | 0                |                 |                |   |
| OTHER GROUNDS EXPENSES                      | 0              | 0                |                 |                |   |
| <b>TOTAL GROUNDS EXPENSES:</b>              | <b>110,910</b> | <b>100,910</b>   | <b>0</b>        | <b>0</b>       |   |
| <b>POOL / JACUZZI EXPENSES</b>              |                |                  |                 |                |   |
| POOL / JACUZZI SUPPLIES                     | 2,400          | 3,500            |                 |                | Supplies  |
| POOL / JACUZZI MAINTENANCE                  | 3,000          | 3,500            |                 |                | Maintenance   |
| OTHER POOL / JACUZZI EXPENSES               | 0              | 1,100            |                 |                | Federal, State & County Mandates                                |
| <b>TOTAL POOL / JACUZZI EXPENSES:</b>       | <b>5,400</b>   | <b>8,100</b>     | <b>0</b>        | <b>0</b>       |   |



|   | 2011 RESERVE ACCOUNT       |                |                |                | NOTES  |
|---|----------------------------|----------------|----------------|----------------|--|
|   | FIGURES USED ARE ESTIMATES |                |                |                |  |
|   | 2010                       | 2011           | 2012           | 2013           |  |
| <b>RESERVE FUNDS</b>                          |                            |                |                |                |  |
| Starting Reserve Balance                      | 405,065                    | 155,283        | 254,357        | 349,945        |  |
| Annual Reserve Contribution                   | 129,000                    | 161,520        | 161,520        | 196,020        | Assumes Ops Account Increase of 5% in 2011 and 5% Increase in 2013       |
| Planned Special Assessment                    | 0                          | 0              | 0              | 0              |  |
| Interest Earnings                             | 12,393                     | 14,554         | 18,528         | 20,480         |  |
| <b>SUBTOTAL:</b>                              | <b>546,458</b>             | <b>331,357</b> | <b>434,405</b> | <b>566,445</b> |  |
| <b>RESERVE ACCOUNT COMPONENTS</b>             |                            |                |                |                |  |
| 100 Building Envelope - Investigation         | 8,500                      | 0              | 0              | 0              | Jeff Samdal and Associates - Accomplished in 2010                        |
| 103 Concrete - Repair / Replace               | 3,000                      | 0              | 0              | 0              | Sidewalk repairs accomplished in 2010                                    |
| 103 Curbing - Repair / Repaint                | 2,600                      | 0              | 0              | 0              | Curb painting accomplished with sealcoat in 2010                         |
| 108 Exposed Decks - Repair / Replace - 52     | 99,000                     | 60,500         | 62,315         | 64,184         | 1/5 of decks repaired / resurfaced w/ new railings and stairways in 2010 |
| 108 Sheltered Decks - Repair / Repaint - 54   | 0                          | 0              | 0              | 0              |  |
| 201 Asphalt - Resurface                       | 0                          | 0              | 0              | 0              |  |
| 202 Asphalt - Seal / Repair                   | 47,075                     | 0              | 0              | 0              | Sealcoat, re-striping and curb painting accomplished in 2010             |
| 320 Pole Lights - Replace                     | 82,500                     | 0              | 0              | 0              |  |
| 410 Garbage Enclosures - Replace              | 0                          | 0              | 0              | 0              | Repaired a few in 2010   |
| 502 Chain Link Fence - Replace                | 0                          | 0              | 0              | 0              |  |
| 504 Pool Vinyl Fence - Replace                | 0                          | 0              | 0              | 0              |  |
| 505 Patio Wood Fence - Replace (a) - 38       | 19,000                     | 0              | 0              | 0              | Numerous fences repaired / replaced in 2010                              |
| 505 Patio Wood Fence - Repair (b) - 62        | 0                          | 0              | 0              | 0              |  |
| 909 Sauna / Bathrooms - Refurbish             | 0                          | 0              | 5,150          | 0              | New cedar siding installed and refinished in 2010                        |
| 910 Rec Room Interior - Refurbish             | 0                          | 0              | 0              | 4,244          |  |
| 913 Resident Manager's Unit - Refurbish       | 0                          | 0              | 0              | 0              | Major renovation accomplished in 2009                                    |
| 1002 Irrigation System - Repair / Expand      | 4,000                      | 4,000          | 4,120          | 4,244          | Expansion began in 2010  |
| 1109 Patio Wood Fence - Repaint               | 0                          | 0              | 0              | 9,596          |  |
| 1116 Wood Surfaces - Repaint                  | 0                          | 0              | 0              | 106,090        | Numerous fences repainted in 2010  |
| 1120 Vinyl Siding - Repalce                   | 0                          | 0              | 0              | 0              |  |
| 1121 Vinyl Siding - Clean / Inspect           | 0                          | 0              | 0              | 0              | Pressure washing and moss removal accomplished twice in 2010             |
| 1202 Acrylic Spa - Repair / Replace           | 0                          | 0              | 0              | 0              | Complete pump and plumbing overhaul accomplished in 2010                 |
| 1202 Pool - Repaint                           | 10,000                     | 0              | 0              | 0              | Epoxy surfacing and Safety Valve Relief System Upgrade installed in 2010 |
| 1303 Carport Shingle Roof - Replace           | 0                          | 0              | 0              | 0              |  |
| 1303 Unit Shingle Roof - Replace              | 0                          | 0              | 0              | 0              |  |
| 1310 Gutters / Downspouts - Repair / Replace  | 0                          | 0              | 0              | 0              |  |
| 1603 Racquetball Court - Resurface            | 0                          | 0              | 0              | 0              |  |
| 1604 Tennis / Basketball Courts - Resurface   | 12,000                     | 0              | 0              | 12,731         | Tennis court crack repairs accomplished in 2010                          |
| 1808 Trees - Trim / Remove                    | 15,000                     | 5,000          | 5,150          | 5,305          | Diseased and root damaging tree / shrub removal accomplished in 2010     |
| 1901 Site Drainage - Repair / Expand          | 7,500                      | 7,500          | 7,725          | 7,957          |  |
| 1902 Carport Posts - Partial Repair / Replace | 66,500                     | 0              | 0              | 15,383         |  |
| 1903 Carports - Repaint                       | 14,500                     | 0              | 0              | 0              |  |
| 1909 Maintenance Vehicle (Kubota) - Replace   | 0                          | 0              | 0              | 0              |  |
| <b>SUBTOTAL:</b>                              | <b>391,175</b>             | <b>77,000</b>  | <b>84,460</b>  | <b>229,734</b> |  |
| <b>ENDING RESERVE BALANCE:</b>                | <b>155,283</b>             | <b>254,357</b> | <b>349,945</b> | <b>336,711</b> |  |

2011 TFA Budget.xlsx