Approval of FY 2017 Draft Budget
Resolution Worksheet

Date: February 17, 2016

Suggested Motion:

"I move to approve the a FY 2017 Draft Budget with a ___% increase in Assessments over the level of Assessments in FY 16"

2nd:

Summary;

A draft of the FY 2017 draft budget is attached.

Vote:

	In Favor	Opposed	Abstained	Absent
Susan Cox				
Anna Fernezian				
Jarrod Grimsley				
Ralph Heinze				
Rich Moha				
Phil Saims				
Kathy Schramek				
Randy Sparks				
Robin Woods				

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FY17 DRAFT O[illegible]g Budget - 10yr Plan

Assessme 124	2016 Current Budget	2017 Draft Budget	Difference	FY17 Draft Budget Committee Notes & GM Comments	FY17 GM Replies/Committee Final Remarks
Percentage Increase					
Percentage Increase	3.97%	2.99%			
4001 Residential Assessments	8,924,793.00	9,191,963.94	267,170.94		
Subtotal	8,924,793.00	9,191,963.94	267,170.94		
			-		
Unit Rental Income			-		
4500 Rental-223-328 M Custis Dr	15,140.00	15,140.00	-		
4501 Rental-309-3544 M Custis Dr	4,500.00	0.00	(4,500.00)	employee unit no rent	
4502 Rental-309-3546 M Custis Dr	13,334.00	13,334.00	-	Board discussing rent & occupancy issues.	
4503 Rental-309-3552 M Custis Dr	13,877.00	13,877.00	-		
4504 Rental-401-1401 M Custis Dr	15,000.00	15,000.00	-		
4505 Rental-401-1403 M Custis Dr	15,460.00	15,460.00	-		
4507 Rental-401-1407 M Custis Dr	20,460.00	11,133.60	(9,326.40)	Police Unit monthly condo fee of 927.80	
4508 Rental-802-3344 Valley Dr	5,340.00	0.00	(5,340.00)	employee unit no rent	
4509 Rental-309-3554 M Custis Dr	4,272.00	4,272.00	-		
4510 Rental-802-3354 Valley Dr	5,340.00	0.00	(5,340.00)	employee unit no rent	
4515 Rental-401-1405 M Custis Dr	6,900.00	0.00	(6,900.00)	employee unit no rent	
Subtotal	119,623.00	88,216.60	(31,406.40)		
Other Income					
4610 Cable Revenue	16,800.00	16,800.00	-	As stated	
4615 Late Fees & Interest	18,000.00	18,000.00	-		
4625 Key Fees	8,000.00	8,000.00	-		
4630 In Unit Service Fees/USP Income	60,000.00	60,000.00	-		
4635 Laundry Fees	48,000.00	48,000.00	-		
4645 Newsletter Advertising	27,830.00	27,830.00	-		
4650 Facilities Rental Income	5,000.00	5,000.00	-		
4655 Storage Facility Rental Income	50,000.00	50,000.00	-		
4660 Resale Processing Fees	30,000.00	30,000.00	-		
4690 Other User Income	14,000.00	14,000.00	-		
4910 Interest Earned-Reserve Accounts	5,000.00	5,000.00	-		
Subtotal Other Income	282,630.00	282,630.00	0.00		
Total Income	9,327,046.00	9,562,810.54	235,764.54		
Administrative					
5010 Activity Charges/Activities Committees	20,000.00	20,000.00	-	$10,000 last year	
5020 Computer Repair & Maintenance	23,122.00	23,122.00	-	Maintenance contract, cloud services	
5030 Office Equipment Lease	11,400.00	11,400.00	-		
5035 Office Supplies	16,500.00	16,500.00	-		
5036 Copying	6,800.00	6,800.00	-		
5040 Office Systems Services	18,500.00	18,500.00	-		
5045 Dues & Subscriptions	300.00	300.00	-		

Assessme 124 Percentage Increase	2016 Current Budget	2017 Draft Budget	Difference	FY17 Draft Budget Committee Notes & GM Comments	FY17 GM Replies/Committee Final Remarks
5050 Newsletter Services	32,200.00	32,200.00	-	**looks like the current burn rate would be $36,000**	
5055 Owned Unit Assessments/Assn Fees for AO Units	89,440.00	89,440.00	-		
5060 Postage	20,000.00	20,000.00	-		
5070 Printing	4,400.00	4,400.00	-		
5080 Telephone Services	25,300.00	25,300.00	-		
5090 Other Administrative Services	36,000.00	36,000.00	-		
5095 Website Design & Maintenance	20,000.00	20,000.00	-	To be determined. Committee is working on RFP	
Subtotal Administrative	**323,962.00**	**323,962.00**	-		
Board/Annual Meeting Expenses					
5100 Annual Meeting Expenses	13,330.00	$ 13,330.00	-	Voting	
Subtotal	**13,330.00**	**13,330.00**	-		
Payroll Salaries					
5302 Administrative Salaries	266,749.00	240,000.00	(26,749.00)	Includes 2% pay rate increase???? **This includes one less admin and a 2% increase**	
5304 Maintenance Salaries	1,171,003.00	1,214,259.00	43,256.00	Includes 2% pay rate increase and $40,000 OT	1.04
5306 Manager/Assistant Manager Salaries	301,060.00	307,081.20	6,021.20	Includes 2% pay rate increase	
Subtotal	**1,738,812.00**	**1,761,340.20**	**22,528.20**		
Payroll Taxes/Benefits					
5325 Bonuses	2,000.00	2,000.00	-		
5330 Health Benefits	547,662.00	502,381.00	(45,281.00)	15% increase-2% employee contribution. Net 13% increase	
5335 Mileage	500.00	500.00	0.00	No more mileage	
5340 Payroll Taxes - Management	30,106.00	30,708.12	602.12		
5345 Payroll Taxes - Administrative	26,456.31	26,985.44	529.13	increased by 2%	
5350 Payroll Taxes - Maintenance	109,346.19	111,533.11	2,186.92	**Why did this go up 16% and Payroll taxes mgmt did not?? I believe this was a formula error and I changed it to reflect the 2%**	
5365 Retirement - Management	11,000.00	11,330.00	330.00		
5370 Retirement - Administrative	6,000.00	6,180.00	180.00		
5375 Retirement - Maintenance	24,000.00	24,720.00	720.00		
5380 Employee Recruitment	400.00	600.00	200.00		
5390 Workers Compensation	107,000.00	112,000.00	5,000.00	Based on increase w/Liberty	
5395 Education/Training Benefit	16,000.00	16,000.00	-		
Subtotal Payroll Taxes/Benefits	**880,470.50**	**844,937.67**	**(35,532.83)**		
Utilities					
6010 Water Service	1,092,577.00	1,125,354.31	32,777.31	Assumes 3% increase	increase - two water leaks

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FY17 DRAFT O ng Budget - 10yr Plan

Assessme 124 Percentage Increase	2016 Current Budget	[illegible] Draft Budget	Difference	FY17 Draft Budget Committee Notes & GM Comments	FY17 GM Replies/Committee Final Remarks
6020 Gas Service	318,146.00	318,146.00	-	Contract up 11/30/15 **Locked in for 24 months @ 4.20/Dth reduction of .31 per Dth from last contract**	Mark still looking into this
6030 Electric Service	105,485.00	105,485.00	-		Leaving as stated because FY16 burn $13K under budget YTD (6 months)
6035 Trash & Recycling Service	289,427.00	298,109.81	8,682.81	Assumes 3% increase	
Subtotal Utilities	**1,805,635.00**	**1,847,095.12**	**41,460.12**		
Contracted Services & Supplies					
6100 Grounds & Landscaping - Contract	271,096.00	271,096.00	0.00	no increase if PKFX renews with CLS	
6115 In Unit Supplies/USP Parts & Supplies	25,000.00	25,000.00	-	Based on trending 2016	
6120 Tree Maintenance	128,250.00	128,250.00	-		
6130 Landscape Other	150,750.00	150,750.00	-	Mark - Is this a duplication of what is in Reserves? **No, separate items. Operating covers additional servcies such as focal planting 2 times annually and other enhancements, erosion control, tree and shrub purchase, sod. Reserve covers costs to facilitate JP Lange's recommended work.**	
6140 Pest Control	45,000.00	45,000.00	-		
6150 Uniforms	20,000.00	20,000.00	-		
6160 Snow Removal Services	20,000.00	20,000.00	-		
6170 Exercise Facility Equipment R&M	3,000.00	3,000.00	-		
6190 Vehicles	15,238.00	20,000.00	4,762.00	Mark- is this for repairs? **Board will not be approving new vehicle purchases in 2017 this is for major repairs**	1.31
6195 Vehicle Gas & Maintenance	28,000.00	30,000.00	2,000.00	Mark, what is this, and how is it different from above? **This covers gas and minor and preventative maintenance**	1.07
Wiring Inspection		60,000.00	60,000.00	plug for variable options to be discussed. May change based on path chosen **We have earmarked 50,000 from Building Condition Accessment in 2016 Reserves for this**	
Subtotal Contracted Services & Supplies	**706,334.00**	**773,096.00**	**66,762.00**		
Repair & Maintenance					
6410 Building Repair & Maintenance	39,750.00	39,750.00	-	Mark, please explain this whole group. Why no change? **With new cost control procedures in place we are currently trending under buget by around 20% and expect it to remain so with the inclusion of a new inventory management system through Grainger.**	

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FY17 DRAFT Operating Budget - 10yr Plan

Assessme 124 Percentage Increase	2016 Current Budget	[illegible]	Difference	FY17 Draft Budget Committee Notes & GM Comments	FY17 GM Replies/Committee Final Remarks
6415 Electrical/Lighting Repair & Maintenance	20,000.00	20,000.00	-		
6420 Equipment Rental/Repair & Maintenance	7,000.00	7,000.00	-		
6430 General Repair & Maintenance	60,000.00	60,000.00	-		
6440 General Maintenance Suppies & Equip	42,000.00	42,000.00	-		
6445 Janitoritorial and Cleaning Supplies	18,000.00	18,000.00	-		
6450 Painting Services (contracted)	210,000.00	201,300.00	(8,700.00)	cycle 4	Less cast iron windows, so less painting
6452 Painting Supplies		15,000.00	15,000.00	in-house supplies	
6455 Plumbing Supplies	30,000.00	30,000.00	-		
6460 Railing Installation	3,000.00	3,000.00	-		
6470 Tools	8,500.00	8,500.00	-		
Subtotal Repair & Maintenance	**438,250.00**	**444,550.00**	**6,300.00**		
Pool Expenses					
6510 Pool Management	88,340.00	82,500.00	(5,840.00)	new 2017 quotes	
6520 Pool Supplies	14,500.00	14,500.00	-		
Subtotal Pool Expenses	**102,840.00**	**97,000.00**	(5,840.00)		
Professional Services					
6610 Audit/Tax Return Preparation	14,500.00	14,500.00	-	Mark - Do you think this will change? **No**	
6620 Engineering Services	15,000.00	15,000.00	-	Why has this gone up? **We had expected to go to 6 weeks on the high priority buildings, but the most recent reports show that we can actaully go to 6 months. So we can lower it back.**	
6630 Legal Fees - Collections	20,000.00	20,000.00	-		
6640 Legal Fees - General Counsel	30,000.00	30,000.00	-		Added for Labor negctiations
Legal Fees - Labor		50,000.00			
6650 Management Fees	122,500.00	66,129.00	(56,371.00)	KPA financials	
6660 Professional Fees	25,000.00	25,000.00	-	Mark - what is this? **This is where JP Lange's continuing work may be funded from**	
Subtotal Professional Services	**227,000.00**	**220,629.00**	**(6,371.00)**		
Other Expenses					
6710 Bad Debt	20,000.00	20,000.00	-		
6720 General Liability Insurance Premiums/Inst	467,057.00	537,115.55	70,058.55	**Assumes 15% increase**	
6430 Permits & Licenses	22,830.00	22,830.00	-		
6740 Income Tax	8,000.00	8,000.00	-		
6750 Property/Real Estate Tax	15,500.00	15,500.00	-		
6780 Owned Unit Mortgage Interest	10,325.00	10,325.00	-		
Subtotal Other Expense	**543,712.00**	**613,770.55**	**70,058.55**		

Assessme 124 Percentage Increase	2016 Current Budget	2017 Draft Budget	Difference	FY17 Draft Budget Committee Notes & GM Comments	FY17 GM Replies/Committee Final Remarks
6900 Repair & Replacement Expenses	2,546,700.00	2,623,100.00	76,400.00		
Total Parkfairfax Expense	9,327,045.50	9,562,810.54	235,765.04		
Current Assets					
Total Parkfairfax Assets					
Total Net Income/Loss	0.50	0.00			
Opening Reserve Budget	4,804,322	5,098,439			
Reserve Study Funding Plan	2,546,700	2,623,100			
Closing Reserve Budget	2,257,622	2,475,339			
	Calculations				
Expense	9,327,045.50	9,562,810.54			
Income	(402,253.00)	(370,846.60)			
Total Assessment	8,924,792.50	9,191,963.94	2.99%		
Total Increase		267,171.44			
	9,327,045.50	9,562,810.54			
transfer of Prior Yr Owners Equity					
	9,327,045.50	9,562,810.54			