

Financial Management Contract Resolution Worksheet

Date: October 15, 2025

Suggested Motion:

“I move to approve a Financial Management Contract with _____ at an annual cost of \$ _____ with funds to come from GL 59-5320000”.

2nd:

Vote:

	In Favor	Opposed	Abstained	Absent
Scott Buchanan				
Dave Bush				
Caitlin Counihan				
Lucille Eddy				
Elaine Lawler				
Jeff Lisanick				
Scott Mulrooney				
Mike Rothenberg				
Jim Wicker				

Company	KPA (Interview Ranking - 2)	Proposal Score = 23	Sentry (Interview Ranking - 3)	Proposal Score = 23	First Service (Interview Ranking - 1)	Proposal Score = 24
Overview	KPA served PFX as Full Service Management Agent from 1996 to 2009 and Financial Agent from 2015 to 2019. KPA understands the volume of work and the unique requirements of PFX. Since we last served PFX we have replaced our accounting, payables and management software and increased our efficiency and reliability.	Scores	Your manager will plan and coordinate association meetings, monitor deed restrictions and coordinate vendor management. Additionally, we will provide detailed financial and manager reports and offer several online payment options and real-time financial information available to you 24/7	Scores	Trent President Mid Atlantic Region Estella VP Client Services Jack Vagelli Sr Vice President --- Jack is Sr VP of Finance - oversees all accounting services Ron Ruffner VP Raymond Tate VP Business Development	Scores
Contact	Edward Alrutz 7035325005		Dave Ciccarelli 8006345919 email address: dciccarelli@sentrymgt.com		Raymond Tate 703-342-9020 Vice President, Lifestyle & Developer Services Raymond.Tate@fsresidential.com	
Costs (Proposal & Interview question, score is based on response in proposal)	\$75,000 annual (3rd lowest) PLUS ~ \$9772.00 Basic Ad Hoc = 84,772 yr Cinc web access - \$7,072.80 yr - see ad hoc below Move-In - Setup Fee \$40 per move in @ 300 = \$1200 Attorney Turnover Fee \$50 per case: @ 300 = \$1500	3	\$7,578 monthly (\$90,936 yr) - Contract Term -1 year Contract - they also offer incentivized multi-year options DEDICATED SERVICE TEAM In addition to your Community Association Manager, our team also has additional support supplied by a Dedicated Service Team, consisting of personnel specializing in resales, accounts receivable, accounts payable, general ledger, assessments/collections, a 24/7 on-call emergency response, and more. These assigned team members serve as an extension to your manager and handle time-consuming tasks to provide added support to the association and manager	2	\$7,917 monthly (annual 95,004) + \$2500 one-time Onboarding fee - this includes smooth transfer of all unit owner accounts owner information and account balances - bank accounts - collections accounts - financial accounts - etc - Transition Timeline 60 days	2
Company experience (score is based on response in proposal)	35 years all in northen virginia	2	Founded in 1975	3	38 plus years	2
Community Size Managed (score is based on response in proposal)	40 associations, 9500 units 6 of the Associations are financial only management.	2	References include a community in MD of 1,869 homes Sentry Manages 3,200 community associations in 26 states	3	They manage accounts with budgets from \$100,000 to \$31MM - - - With over \$5 billion in administered funds and 7,000+ community associations as clients, No mention in the document on the number of units (doors) for any of the other properties they serve - Interview response - They serve Ashburn Village it has 8,000 units	3
Banking (Interview question, no associated score) - Are we required to use a specific bank and if so, which funds (operations and/or operations and reserve)? What if any banking services can you help us leverage?	KPA's proposal is based on the operating funds being deposited in Axos Bank. The reserve funds can remain in at their current financial institutions. KPA does not want signature authority on reserve funds. Axos is an internet bank, FDIC insured, no brick and mortar. The funds would be in a sweep account (small interest rate).		Yes, Sentry requires that the primary checking account will be at Enterprise bank in Florida; the lockbox is in Tampa. They would also like the reserve funds moved to Enterprise. Sentry has several partner banks in their network that they have relationships with that can be leverage for services. Sentry's expectation is that all accounts (operations and reserve) will be at Enterprise. Reconciliation of accounts located outside of Enterprise will be charged a monthly \$95.00 reconciliation fee (per account).		Alliance association bank for the operations account. Part of Western Alliance bank. Where we keep reserves is up to us. Monitor operations account and make sure it stays within FDIC compliance. First service financial – can review our investments and make sure we are getting the highest interest rates. They have a Cash Management Section - "First Service Financial" He can show us the best rates out their - see their investment policy statement. They are happy to help with investments - review current investments - etc. ad hoc	
Credit card (Interview question, no associated score) - Can your organization assist us with obtaining a credit card?	KPA can get us a credit card with the Association name on it, versus a Board members name.		Sentry can set up a debit card with First Horizon, a partner bank.		Yes, they can supply a purchase card. Usually a \$5000 limit. It was mentioned that we would need a card with a higher limit. First Service indicated the limit can be increased	
Vender Management (Proposal & Interview question, score is based on response in proposal)- Explain how you manage vendors, invoice and payment process, and any fees associated with vendor management.	PFFX approves invoices that can be emailed or couriered over to the KPA office. KPA uses AVID Strongroom which streamlines the processing and coding of invoices. If the vendor wants an electronic payment that will be processed through Strongroom, but the vendor will have to pay a fee for that service. Strongroom can also be used to pay utilities, insurance, etc. They use ACH electronic payment for utilities and insurance to avoid late payments They can cut and send checks if needed. During the interview KPA was asked how they guard against duplicate invoices and how they ensure the integrity of the vendor naming convenstions. While they didn't provide specifics they did indicate they would work with us on those issues	3	Sentry uses VenderSmart for vender management and there is \$150.00 annual registration fee to the vendor. Sentry does not charge registration fees for utilities. They will also waive the registration fee for small vendors, who will be issued a coupon. Annual expenditures such as "inspect fire systems" will not be charged the registration fee. Q: Sentry was asked how they identify duplicate invoices. A: Their response was that their system (ComunityPro) flags duplicate invoice numbers. System allows for flagging and prioritization of invoices. Q: Q:How long on average does it take Sentry to pay a vendor. A: Sentry cuts checks every day. Invoice submittal to payment is normally no longer than a week. Items that can cause delays are high value invoices that require multiple sign offs. Q: Vendor registration, how long does it take? A: The Vendor is sent an invitation from the Dashboard (software product) that allows them to upload the requested documentation, they are assigned a vendor number and are considered registered. Registration is dependent on the responsiveness of the vendor.	2	Not mentioned in the proposal. f. Use Vive for vendor management (currently use Vive) i.\$175.00 per vendor (annual fee) ii.Fee can be waived for smaller vendors iii.If they are already in Vive they do not need to re-register for Parkfairfax Q: What checks and balances does First Service employ to ensure there are no duplicate invoices? A: Not addressed Q: What do you have in place to ensure Vendor names remain standardized? A: Not addressed Q: Vendors – How long on average does it take Sentry to pay a vendor. A: Venders are paid two times per week (Tuesday and Thursday). This is dependent that invoices are approved. If the invoice is an approved vender in AVID the invoice will be approved quickly. They use Vive for 3rd party verification of our Vendor's state licenses, W-9's, Insurance etc., to ensure they are in good standing and have worker's comp \$175 annually - if they are already registered at one HOA then that covers all first service HOAs which can mean more opportunities for work for our vendors at other properties	3
Key Positions – how they staff those roles (Proposal - score is based on proposal)	Everyone is adequate	2	Everyone is adequate	2	Everyone is adequate	2
Financial Services Team Structure (Interview question - no associated score)	Because we are financial management services only the KPA team will consist of an accounting team, which will be comprised of an account's payable representative and the assistant controller. Full-service communities are assigned a community manager. Rachel Blackwell, Assistant Comptroller – All financial (overall financial accounts receivable/payable/reports, etc.). Angie Miller, Accounts Receivable – Direct POC for PFX and Homeowners (All things HOA assessments-collections-Move-in – Move-out)		Angela Weed is the Annadale Division President and manages a team of community managers that oversee Sentry managed HOA's and condominiums. Parkfairfax will be assigned an association community manager and that manager will have a team under them that supports Parkfairfax management, Owners, and the Board of Directors (local admin teams, home office team (service coordinator)). Parkfairfax will be assigned a community manager even though we are financial services only, this is due to the size of the property. Scope of work between the community manager, our general manager and the Board will be negotiated.		Trent = POC Operations for us Jack/Estella = Jack is POC Client Accountability for us (oversees accounting) -/- Estella Oversight and assistance to General Manager - works closely with assigned Financial Manager -- Estella works in the FAIRFAX office locally - Their depth of resources is one of the things they feel makes them "key" for a partnership with us Clarity on all parts of service - How they work directly with our GM to find ways to bring more value to the relationship - they can help with things like HR and standardized forms and systems to make things better faster smoother Will assign a Financial Manager to us - If we don't like them, they will change them out --- they have a 97% employee retention rate - so it's likely that when we have a resource, we like it will be a long relationship with that same Financial Manager. Financial Manager will not be on site every week - but is available by phone/text/zoom daily	

<p>Customer support -accessibility / responsiveness (Proposal & Interview question, score is based on response in proposal)</p>	<p>They did mention in their proposal, but there wasn't allot of specifics. This was elaborated on during the interview. Financial reports are provided to each client on the date the client specifies. Financial reports are stored on our website so the Board members can review these historic reports anytime they choose.</p> <p>We normally establish a separate emergency number for each Association with customized instructions for the answering service. All of our management team is on call after regular business hours. If your manager is not available, the call is handled by the next manager assigned. A fact sheet with all pertinent information about each community is maintained by each and every manager at KPA. We have access to plumbers, electricians, locksmiths, restoration specialists, and other contractors 24 hours per day, 7 days per week</p>	2	<p>Sentry also has a dedicated customer service line for quick solutions to questions about account access, payment issues, and more.</p> <p>Sentry's multilingual Customer Service Team is available via phone, email, or web to help homeowners access their online account, understand their current balance, make a payment or resolve payment issues, and answer basic association questions.</p> <p>Guaranteed Response Times – Sentry's service standard is to respond to all regular (i.e., nonemergency) inquiries within 24 business hours. For Board members, we make every effort to respond same day.</p> <p>Response Times - 24 hrs - non-emergency inquiries - for board members they make every effort to respond same day Live view - Board members can access a live view of the financial reports in CommunityPro® at any time Vendor Interaction - Special Software - Setup Fee - Vendor Insurance - Bussiness credentials and IRS credentials confirmed Vendor Payments - Level up from \$10k who can approve check</p>	2	<p>They provide various executive-level team members in addition to your designated accountant, and a team of financial and management experts. So it isn't just one POC.</p> <p>24/7 availability and mobile access to view and approve to Vendor Invoices</p> <p>Notifications that Invoice are Pending Approval Response Times - 24/7 availability and mobile access to view and approve to Vendor Invoices Live view - 24/7 availability and mobile access to view and approve to Vendor Invoices Special - Notifications that Invoice are Pending Approval Instead of a call center for homeowner questions they have Jane in New York - she will be our unit owners liaison</p>	3
<p>HOA fees payment options (Interview question, no associated score)</p>	<p>Echeck (bank fee schedule), automatic payments online (bank fee schedule), KPA has a direct debit payment option that is offered for free. Coupon books can still be made available.</p>		<p>Sentry provides homeowners with six ways to pay. Homeowners can pay online by setting up auto-pay, making a one-time online payment, or using their own bank's bill pay services. Additionally, homeowners can pay by phone, mail a check, or make a payment in person in their local office.</p>		<p>Lockbox – Traditional method of receiving and processing a mailed check with a coupon</p> <ul style="list-style-type: none"> • Direct Debit – Payment method that allows the association to automatically retrieve payments from a bank account authorized by the homeowner • Online Electronic Payment - Service that permits payment by electronic check or credit card on a one-time or recurring basis • Online Bill Pay - Homeowner payments are processed electronically through the homeowner's online bill pay service 	
<p>Reserve Study evaluations and next year's budgeting for reserve spending? (Interview question, no associated score)</p>	<p>Yes, KPA will do those evaluations.</p>		<p>Yes, absolutely. Sentry will consider the reserve study when preparing the annual budget. That evaluation is definitely part of the process.</p>		<p>Yes, they will work with us on evaluations during the budget process. They do budget prep early - 120days out - they can help with setting reserve expenditure dates - will help evaluate property conditions - make adjustments when needed.</p>	
<p>Reports – Does your system offer the ability to customize reports. Who would be able to create customized reports (pffx staff, board member, financial firm staff)? Are there additional costs associated with creating customized reports? Is there a specific reporting technology being used to generate reports, what formats can the reports be generated in (excel, .pdf)? (Interview question, no associated score)</p>	<p>If KPA is creating the customized report and it is complicated, they will charge PFFX. CINC does have a report module that can be customized. KPA can customize the labels on our reports. That is, porches can be coded as porches and not front slabs.</p>		<p>Reports are somewhat customizable. Sentry was asked, "Can the software be configured to have the line-item names on reports match PFX naming conventions? They answered, "Yes, this can be done during the initial budget set up".</p>		<p>First Service can customize reports for us. Q: Can the software be configured to have the line-item names on reports match PFX naming conventions? (porch, stoops, flatwork) A: Not answered Financial Transparency - showing where the numbers come from and our access to their data = success long-term Several reports — including accounting with a 13month trailing layout showing pass expenditures per line month to month - General Ledger reports, etc., the Financial Manager will prepare all the reports - the Financial Manager will work with the GM ad Board on assessment calculations</p>	
<p>Technology/Software (tools offered and ability to customize) (Proposal & Interview question, score is based on response in proposal)</p>	<p>CINC, Strongroom, AvidX</p>	3	<p>CommunityPro® - proprietary software</p> <p>Really like the report formats on the thumb drive proposal pages 56-60</p>	2	<p>Specific Software not mentioned - But their example reports use custom titles for line entries and their migration fee talks about setting up accounts - seems to infer - custom to our HOA</p> <p>One-time on-boarding fee: \$2,500 This one-time fee covers the following transition activities and labor:</p> <ul style="list-style-type: none"> • Dedicated transition team of associates from corporate accounting, client accounting, executive management, re-sale and collections, who meet weekly to ensure a smooth transition to FirstService Residential. • Review of all association financial information and related documents by senior accounting associates, including a review of the association's collection policy. • Review of budget and investment information. • Initial creation of homeowner accounts in our accounting software, including input of initial ownership information and account balances. • Conversion of chart of accounts. • Preparation of general ledger balances. • Set-up of association bank accounts, with appropriate signature authorizations. • Set-up of association dues, late fees and collection policy. 	2
<p>Cyber - Disaster preparedness and recovery (Proposal & Interview question, score is based on response in proposal)</p>	<p>Have cyber insurance.</p> <p>During the interview KPA elaborated with the following information. has instituted multi factor authentication (MFA) for system access, annual cyber training and testing is conducted with all employees. They have a new firewall on their systems, backups stored in-house and offsite in the CINC Cloud. KPA insures against cyber-attacks.</p>	1	<p>Cybersecurity and Data Protection Policies – Although CommunityPro® is web-based, there are no strict network requirements for access other than a reliable internet connection. In addition, (a) no data is stored on public servers, (b) audit logs are kept of all access, (c) all member and association data is stored on internal or private cloud servers protected by firewalls and virtual private networks (VPNs), (d) web access to data is accomplished through a secure VPN between the public web server and private Sentry servers and is limited to specific Internet Protocol (IP) numbers and port numbers, (e) a valid login is required to access data through CommunityPro®. Logins are limited to what data a user can access based on their credentials, whether Sentry personnel or association/Board member, (f) passwords are encrypted on private servers so no one, including Sentry staff, can obtain a user's password, (g) all data sent between the CommunityPro® site and the user's internet browser is encrypted and verified by GeoTrust, Inc. Sentry's Home Office staff includes our in-house technical support team headed by a corporate Vice President and charged with maintaining, updating and enhancing all Sentry hardware and software assets including CommunityPro® and related and unrelated software and systems, both in-house and off-the-shelf.</p>	2	<p>All data falling within our sphere of responsibility is secured and protected on multiple overlapping levels and constantly reviewed, evaluated, and upgraded at the local, regional and national levels to meet rigorous standards. SSL certificates, firewalls, secure network transmissions, authentication and account creation requirements, software-based virus and malware applications, and backup and recovery. First Service offered to put us in touch with their technology department to answe additional questions.</p>	2
<p>Ransomware attack ins/plans (Proposal & Interview question, score is based on response in proposal)</p>	<p>Not mentioned in proposal, During the committee interview they stated, "KPA insures against cyber-attacks".</p>	0	<p>Not mentioned in proposal. During the interview Sentry was asked about there ransomeare strategy and stated. "Extensive backup in multiple locations daily. Sentry will email their cyber security procedures and will follow-up on their insurance limits".</p>	0	<p>Not mentioned in proposal. First Service offered to put us in touch with their technology department to answe additional questions.</p>	0
<p>Were reference provided (Proposal, score is based on proposal)</p>	<p>Yes, extensive. References include our current laywers and landscape company. Provide references for all of the communities they manage</p>	3	<p>Yes</p>	2	<p>Yes</p>	2

Did they provide a contract (Proposal & Interview question)	We normally establish a separate emergency number for each Association with customized instructions for the answering service. All of our management team	0	A sample contract was not provided as part of the proposal. A sample contract specific to Parkfairfax was asked for during the interview and provided.	0	A sample contract was not provided as part of the proposal. A sample contract specific to Parkfairfax was asked for during the interview and provided.	0
Misc.	Is on call after regular business hours. If your manager is not available, the call is handled by the next manager assigned. A fact sheet with all pertinent information about each community is maintained by each and every manager at KPA. We have access to plumbers, electricians, locksmiths, restoration specialists, and other contractors 24 hours per day, 7 days per week. KPA has a local office, employees are a mix of in office and remote, they do ensure that the office is always staffed. Core hours are 8 am to 5:30 pm Monday – Thursday. 8 am to 1 pm on Friday. Emergencies – do not normally provide emergency services to financial only communities. Will provide an emergency cell phone number to the GM for extreme emergencies.		Sentry and KPA has duplicate references Beachtree and Torpedo factory. Q: Is Sentry staff in office or remote? A: Admins are in the office, Managers are hybrid because they do allot of onsite work at the properties they support (3 days in office, 2 days on site). Q: What are your core hours? A: 8:30 am – 5:00 pm; Monday through Friday. Q: Your proposal is for one year, but it mentions that Sentry offers multi-year agreements, can you expound on the advantage of multi-year contracts? A: Term is what Sentry is interested in. For multi-year agreements Sentry may reduce the annual increases and offer other incentives based on the terms of the contract. All can be negotiated and is dependent on the contract term being met. Q: How does Parkfairfax take advantage of the vendor selection tool? A: To use the vender selection tool, the price would be negotiated (Time and Materials). Sentry utilizes a bid management software tool that provides our team members with a platform to create and compare professional Requests for Proposal (RFPs) for vendors which, in turn, provides board members better information to award contracts. Q: Parkfairfax currently uses Buildium is your software compatible with Buildium? A: Buildium is an industry standard, normally Sentry gets data via thumb drives or Cloud links, and the data is either transferred or uploaded.		Misc. Really nice transition schedule and checklist - page 35 on thumbdrive. we should refer to this info no matter who we choose. There are lots of docs. This team will develop an operating and capital budget and provide an initial draft to the board 90 - 120 days before the end of the fiscal year. They also provide Insurance on the properties they manage We recommend leveraging our exclusive banking and lending relationships By consolidating the bank accounts of its North American clients into select top-tier banking institutions, we have the leverage to eliminate fees on operating accounts while delivering significantly higher interest rates on reserve accounts. We want additional software information Q: Parkfairfax currently uses Buildium is your software compatible with Buildium? A: They can work on importing maintenance costs into their system so that Owners can pay those invoices through FS software Q: Have you done a data migration from CINC to your software product? A: It is not actually a migration, the software systems do not connect. They take their ending balances and those will become FS starting balances. Most of this is done by .pdf Q: Your proposal is for one year, are there any benefits to Parkfairfax to have a multi-year contract? 60 days for transition They will set up several separate events so that homeowners can come to the office to get help setting up their accounts for HOA payments They feel they have a good cadence between their staff and its responsiveness to PFX - we can contact anyone in upper management independently — especially if we aren't getting the service or answers we need	
HQ Location	Falls Church, Virginia		Florida (Home Office), local offices in Annandale and Leesburg. ParkFairfax would be managed out of Sentry's Annandale office.			
Reports	Balance Sheet		Balance Sheet		Monthly Balance Sheet	
Reports	Income Statement		Revenue Report			
Reports			Expense Report			
Reports			Transaction Register			
Reports	Bank Account Register		Check Register			
Reports			Accounts Receivable/ Delinquency Report		Monthly Income Statement / Delinquency Report	
Reports	Payables Aging Report		Accounts Payable Report		Monthly Paid Invoice Report or Check history report	
Reports			Purchase Journal			
Reports			General Ledger		Monthly General Ledger	
Reports					Monthly Pre-paid Report	
Reports	Bank Account Reconciliation				Monthly Bank Reconciliation	
Reports	Monthly Operating Account Statement				Monthly Bank Statements	
	Conodominum Cash Position					
	Monthly Investment Statement					
	General Ledger Trial Balance					
Budgeting			Draft Annual Budgets using zero based budgeting		Prepare Capital Budget 90-120 days before end of FY	
Reserve Planning			Ensure compliance with State law - Will physically inspect assets prior to annual budgeting process and recommend adjustments to reserve expenditures if appropriate		Annually review reserve study recommended funding coordinate on investing reserve funding	
Collections			Process according to governing documents - turn to legal - provide legal documentation for legal action		Process according to governing documents	
Tax Prep			Sentry will liaise with Association's Accounting firm and providefinancial info. Assoc Tax returns and audits prepared by independent third party CPA firms			
HOA Payment Options	See response above		Check by mail		Lockbox - Mailed check with coupon	
HOA Payment Options	See response above		Third party check		Online bill pay (by homeowner's bill pay service)	
HOA Payment Options	See response above		ACH Account draft		Direct debit on bank account	
HOA Payment Options	See response above		Credit card (extra fee)		pay by credit card one time or on a recurring basis	
HOA Payment Options	See response above		Debit card (extra fee)			
HOA Payment Options	See response above		Payment by phone (extra fee)			
Delinquency Process			As set in governing docs notifiys owners - refers to legal as appropriate		If invoices are not paid in 30 days late notices are sent	
					Special Banking agreements - use their banks pay less fee get higher interest rates - Lending opportunities	
					Assist board with securing insurance that will be a minimum of an amount equal to 3 months collections plus the total of all reserve funds, or as required by FNMA or the governing documents, whichever is greater	
OPTION ???			Vendor Coordination – Sentry Management has well-established process to assist with vendor selection, assigned tasks, and payments. Sentry utilizes a bid management software tool that provides our team members with a platform to create and compare professional Requests for Proposal (RFPs) for vendors which, in turn, provides board members better information to award contracts. Sentry also tracks vendor insurance and approves vendor invoices and payments in CommunityPro® for a streamlined process from start to finish. (NOTE: This Promise applies more to full-service management clients			
			Reference to the segregation of duties on the program -- No one person does many parts of the service - cutting down on potential misconduct/fraud or lack of responsiveness		Reference to the segregation of duties on the program -- No one person does many parts of the service - cutting down on potential misconduct/fraud or lack of responsiveness	

Parkfairfax Condominium Unit Owners Association

Financial-Only Management Proposal

Provided by:

KPA Management
6402 Arlington Blvd., Ste 700
Falls Church, Virginia
22042
<http://www.kpamgmt.com>

Tab 8 CINC Management Software and Website and Avid/Strongroom

Tab 9 Financial Services

Tab 10 Financial Management Details


Tab 11 Sample Financial Statements

Tab 12 Proposed Schedule B of Additional Charges

We want to renew our commitment to Parkfairfax for the provision of excellent financial management services with accuracy and integrity, and to do everything in our power to meet the expectations of the Board of Directors and the unit owners.

I am ready to answer any questions the Board of Directors may have.

Sincerely,


2025-07-31 14:27:58 (PDF)

Edward J. Alrutz, CPM, CMCA, AMS, PCAM

President and Principal

Klingbeil, Powell & Alrutz, Inc.

dba KPA Management

Enclosures: 12

About Us

The team at KPA Management has been providing property management service for more than 35 years.

Our team/family has experience in communities ranging from 35 units to more than 2,000 units, providing a wide range of accounting, management, and financial services. We support our team to continue to develop personally and professionally, providing them with ongoing educational opportunities, in-house training, participation in industry events and memberships with professional associations.

KPA specializes in the management of community associations in Northern Virginia exclusively.

Membership and Associations

- Community Associations Institute (CAI)
- Professional Community Association Manager (PCAM)
- Association Management Specialists (AMS)
- Certified Managers of Community Associations (CMCA)
- Community Association Managers International Certification Board (CAMICB)
- Accredited Association Management Company (AAMC)

Statement of Qualifications

Founded in 1987, Klingbeil, Powell & Alrutz, Inc. (KPA) is well established as a leader in the professional management of condominium associations in Northern Virginia, exclusively. We have arrived at this success by building outstanding relationships with our clients, having retained many since the inception of their respective associations. KPA was formed by Thomas Powell and Edward Alrutz in 1987. Although Tom retired several years ago, Ed has always been responsible for the Management Team, and, remains so today as the sole owner of KPA. KPA presently manages over 40 Associations, totaling over 9,500 units.

KPA is a medium-sized company by design. Our philosophy has never been to become the largest Professional Association Management Company, rather, to provide the most complete service possible to the clients who have retained KPA. We do this by hiring what we believe are some of the top Professional Managers in our field, with a minimum of 10 years' experience, and with a successful track record. We combine our Professional Managers with an experienced administrative staff, and an experienced accounting team. The combination of these three staffing areas within KPA, allows us to provide the most excellent service possible. KPA is large enough to provide the depth of service each of our clients requires, yet small enough to continue delivering our services on a personal basis. This is what our clients deserve, and, we will never vary from this.

The experience of the KPA Team provides value to all of our Associations, often in ways difficult to quantify. We help to guide our Board's through the difficult challenges they face, anticipating some of these challenges based upon the history of each respective community, and, working together on those challenges none of us anticipated. We are able to do this on both the physical property side of condominium management and on the financial side of condominium management. One must work in concert with the other, making sure the physical and financial assets remain in check.

The firm has earned the AAMC (Accredited Association Management Company) designation from the Community Associations Institute. Many of our Professional Managers have earned the PCAM, AMS, CMCA and/or CPM designations. We are proud of those who have and of those currently in the process of earning these designations. Our philosophy however, is making sure a manager assigned to a community is based upon the best fit, over and above the professional designations they may or may not have yet earned or received. We pay 100% of the formal education and professional designation costs for all of our employees.

Our Accounting Team, including Human Resources, is comprised of seasoned individuals. Our financial systems are constantly being updated and are supported by state of the art computer servers. We maintain up-to-date licenses on all software used in our systems.

Our Financial Reports are delivered on time with the greatest amount of accuracy, providing our clients with financial information they can rely upon. All members of our Accounting Team are available to work directly or indirectly with our clients. We have a "Can DO" approach in handling special requests, understanding the needs of each Association are different. Flexibility is very important; however, the controls we have in place are paramount, and our regard to caring for our Client's funds are second to none. Receipts and invoices received are processed timely and paid weekly, making sure the vendors each Association uses are available when needed. We take great pride in having an excellent track record with regard to the audits performed by each of our Association's CPA Firm. The audits are clean, meaning, derogatory comments with regard to our controls are not found, and the financial representations we have made at year end require no material adjustments.

Handling emergency situations at a community is an extremely important part of our job. We normally establish a separate emergency number for each Association with customized instructions for the answering service. All of our management team is on call after regular business hours. If your manager is not available, the call is handled by the next manager assigned. A fact sheet with all pertinent information about each community is maintained by each and every manager at KPA. We have access to plumbers, electricians, locksmiths, restoration specialists, and other contractors 24 hours per day, 7 days per week.

Every Professional Management Company has a Statement of Qualifications. KPA's is one we live by each and every day. Our company grows not only on the basis of the number of clients we maintain within our portfolio, but also grows as each and every one of our employee's gains additional professional knowledge. We empower our employees to be creative and share ideas on how we can provide a higher level of service to our clients. Our employees are responsible for saving our clients over \$50,000 in annual bank service charges collectively. KPA is currently able to offer clients full bank services with no bank fees. Our employees are our greatest asset, and KPA will become your Associations greatest asset as well, when chosen.

Organizational Chart

Klingbeil, Powell & Alrutz, Inc. Organizational Chart



CINC WEB AXIS

Our online software system, CINC Web Axis, is specifically designed to allow KPA clients the convenience of making your payments online, the ability to manage your account, and access to important Association information. Our new software platform offers streamlined communication giving homeowners and board members instant access to information.

Ideal for Homeowners

Get community information and documents online 24/7 via your computer or user-friendly mobile app.

View real time account status.

View calendar of upcoming events.

Seamless payment process.

Real time violations review and ARC submissions.

Reserve Association amenities online.

Request maintenance services via an easy-to-use online form.

Board Member Portal

Receive instant notification when new management reports are ready to review.

Track current violations in real time.

Full financial report access.

View past meeting minutes, agendas, and management reports online.

See real time assessment account status.

Provide online access to homeowner and tenant directories (Board view only)

Instant communication via broadcast emails and text messages to all registered homeowners and tenants.

Looking for an upgrade? Community websites can include custom pictures and messages.

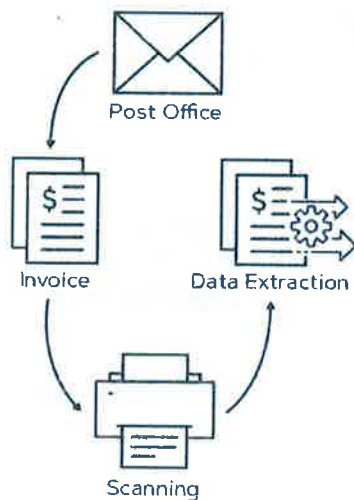
CINC
systems

AVIDXCHANGE STRONGROOM

AvidXchange Strongroom, the market leading solution used by hundreds of Association management companies, Board members, and AP professionals throughout the US, is connected to the AvidPay Network, providing you with even more options to pay your vendors securely and efficiently. AvidXchange Strongroom was tailor-made for community association management companies of all sizes, whether you're managing HOAs, Condos, or Co-ops.

CENTRALIZE

Receive Invoices, Images, Code and Post Online

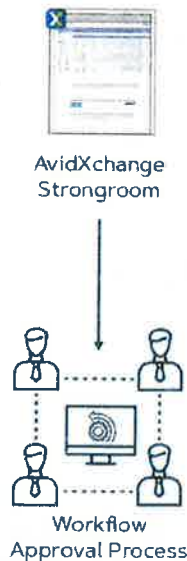


BENEFITS

- Extraction/Sorting Labor Eliminated
- Standardized Invoice Format
- Limited Data Entry Required

AUTOMATE

Flexible Online Invoice Approval Process

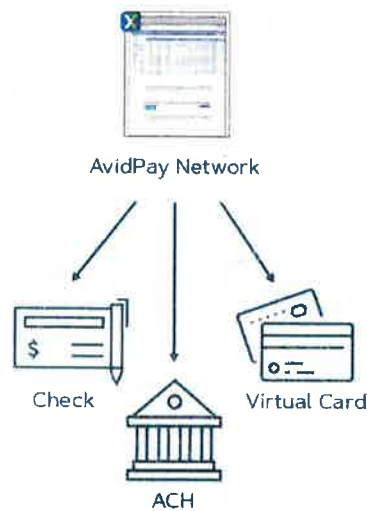


BENEFITS

- Streamlined Invoice Approvals
- Easy Invoice Search Features
- Complete Audit History

PAYMENT

Monitor Invoice Status and Send Payments Securely



BENEFITS

- Printing and Mailing Labor Eliminated
- 24/7 Visibility into Payment Status
- Eligibility to Earn Rebates

INTEGRATE

Invoice and Payments Posted to the Accounting System



BENEFITS

- Automated Bidirectional Integration
- Includes Invoice, Invoice Image and Payment Data



CALIBER
SOFTWARE

CINC
systems



Condo Manager



Vantaca.
YOUR ASSOCIATION'S ADVANTAGE



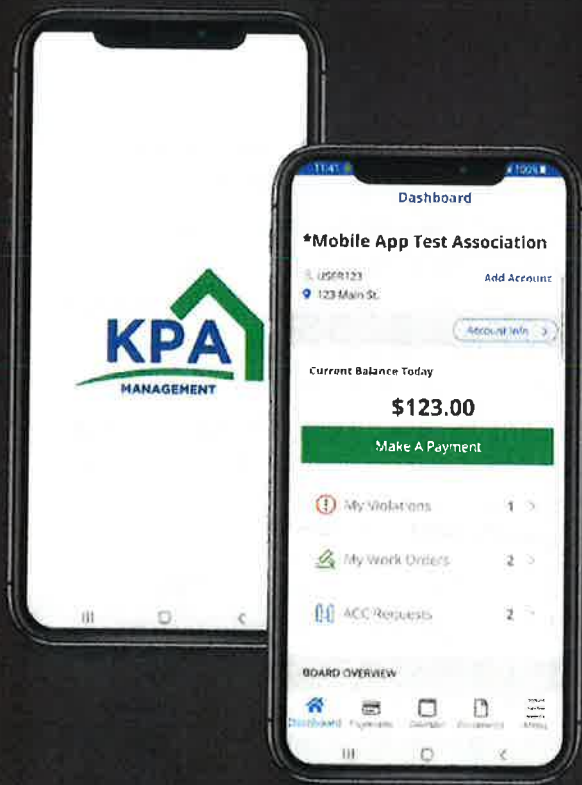
1-800-333-4668 ext. 4000

ABOUT AVIDXCHANGE STRONGROOM

AvidXchange Strongroom transforms the way companies pay their bills. Trusted by more than 5,500 customers throughout North America, AvidXchange Strongroom is the industry leader in automating invoice and payment processes across multiple industries including real estate, HOA, construction, and healthcare. AvidXchange Strongroom is distinguished as a global fintech unicorn and one of the fastest growing technology companies in the U.S., offering a complete solution designed to help mid-market businesses modernize operations and embrace the future of finance.

Introducing the KPA Management App

A Homeowner and Board App from KPA Management that lets you manage your home needs wherever, whenever.



Homeowner App Features:

- View and update account information
- Make online payments
- View association documents
- And keep up with news about your community

BONUS! Exclusive Board Member Features:

- Board documents
- Accounts receivables reports
- Community violations



Apple Store



Google Play

Powered By

CINC
systems

Financial Services

The accounting team at KPA provides a consistently high level of service to all of our customers each and every day. Our staff members assist our Community Managers in the preparation of the Annual Budgets, administer the Association payroll and benefits program, and establish a lock box account in the name of the Association for assessment collection. For most Associations, our staff is the only contact homeowners have with the Association. The Accounts Receivable Administrators at KPA speak directly with homeowners regarding assessment issues. In the event assessment issues are not resolved, our staff is trained to turn over delinquent accounts to the Association's attorney in accordance with the Association's collection policy resolution and to communicate with the attorney throughout the collection process.

At KPA, the coding of all accounts payables undergo a rigorous quality control process whereby they are scrutinized by, and must meet the approval of, four individuals. Each Community Manager is responsible for the coding of all pertinent accounts payables at KPA. This process promotes consistency with the coding of accounts payables. Vendor payments are generated at KPA on a weekly basis. Vendor invoices are reviewed by four individuals prior to the forwarding of a payment to a vendor. The Community Manager reviews each invoice during the coding process, and the Accounts Payable Administrator reviews the coding of the invoice during the data entry process. The Controller, and the President also review the coding of invoices for reasonableness prior to signing the payment to the vendor.

Associations' financial records are maintained in accordance with generally accepted accounting principles, using a modified accrual method with full accruals, to the extent possible, at the end of the fiscal year. We present the most accurate financial picture possible at the end of each month. Because many Associations meet early in the month, accruals are often made without the benefit of the actual invoices on-hand. To present an accurate financial picture, KPA will accrue, if necessary, income and expenses known to be outstanding at the end of any given month.

The following is a list of typical accounts reviewed by KPA on a monthly basis to determine if accrual entries are appropriate:

- Interest Income
- Janitorial Contract
- Pool Contract
- Uniforms
- Grounds Upkeep Contract
- Extermination Services
- Trash Service
- Payroll
- Snow Removal
- HVAC Contract
- Water Treatment Contract
- Water and Sewer
- Gas
- Electric
- Heating Oil
- Insurance – Package Policy
- Insurance – Package Policy
- Group Insurance
- Replacement Reserve Contributions

In addition to the review of income and expense categories, KPA reviews all Balance Sheet accounts to determine if entries are needed to re-classify prepaid expenses, deposits, and accrued liabilities. KPA uses a standard format for financial Statement presentation; however, flexibility is provided in order to meet the needs unique to each Association.

Financial Management Details

Included are financial reports created from our financial reporting system. Reports are delivered monthly, in accordance with the terms outlined in our contract, both in hard copy and via email. The reports provided, once explained, provide the information needed for the Board of Directors to understand, clearly, the financial position of the Association, as of the reporting date.

The Balance Sheet is prepared in accordance with the GAAP, and, is presented in accordance with AICPA guidelines. Current Assets and Other Assets are segregated as are Current Liabilities and Other Liabilities. The Members' Equity includes Working Capital and Working Capital Expenditures on separate line items, Replacement Reserves, Unappropriated Members' Equity, and, the Current Year Surplus or Deficit.

A Replacement Reserve Schedule is prepared on a monthly basis. This schedule reflects the Monthly and Life-To-Date Contributions and the Monthly and Life-To-Date Usage of the Associations Replacement Reserves. In accordance with GAAP, the Life-To-Date balances are reset each and every time an Association adopts a new Replacement Reserve Study. Accordingly, these amounts are brought back into line every three to five years, the time period required for each new study.

The Statement of Income and Expenses are prepared on an accrual basis, in accordance with GAAP, and, are presented in accordance with AICPA guidelines. These statements reflect the Current Month Income and Expenses and the Year-To-Date Income and Expenses. We also include the Budget for both income and expenses, on a monthly and a year-to-date basis, and a Variance column for the current month and year-to-date. The variance reflects the difference between the actual amounts collected or expended versus the anticipated amounts budgeted monthly and collectively year-to-date. The statement also includes the approved Annual Budget, by line item, and, includes the remaining Available Budget. This is calculated by subtracting the Year-To-Date amount reflected on the statement from the Annual Budget reflected on the statement.

SAMPLE CONDOMINIUM UOA
CASH POSITION
AS OF
4/30/2023

10-1008	AXOS BANK - OPERATING					64,200.91
10-1090	PETTY CASH					300.00
10-1030	INVESTMENTS - MM					888,488.80
10-1030	INVESTMENTS - CDs					
		maturity	rate	amount		
	Barclays Bank CD	5/18/2023	2.00%	200,000.00		
	Sandy Spring Bank CD	6/20/2023	2.00%	100,000.00		
	Discover Bk	6/30/2023	3.00%	200,000.00		
	US Bank	7/31/2023	2.95%	225,000.00		
	Citizens Bank	9/30/2023	3.25%	200,000.00		
	Ally Bank CD	9/30/2023	1.10%	225,000.00		
	Bank of India	10/15/2023	3.65%	225,000.00		
	Beal Bank	11/30/2023	3.65%	235,000.00		
	First Republic Bank	12/31/2023	4.00%	200,000.00		
	Morgan Stanley Bank	12/31/2023	4.30%	175,000.00		
	Synchrony Bank	1/20/2024	4.65%	225,000.00		
	UBS Bank	2/28/2024	4.65%	225,000.00		
	Charles Schwab Bank	3/31/2024	4.80%	150,000.00		
	Bank of Baroda	4/15/2024	4.65%	175,000.00		
	Key Bank	4/30/2024	5.00%	240,000.00		
						3,000,000.00



Balance Sheet - Operating
Sample Condominium UOA
End Date: 04/30/2023

Date: 5/11/2023
Time: 9:53 am
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Assets

Current Assets

10-1008-0000-00	Axos Bank - Operating	\$64,200.91
10-1030-0000-00	Investments - MM and CDs	3,888,488.80
10-1090-0000-00	Petty Cash	300.00

Total Current Assets:

\$3,952,989.71

Accounts Receivables

11-1110-0000-00	A/R Homeowners	33,049.10
11-1111-0000-00	Allowance for Bad Debt	(33,762.92)
11-1113-0000-00	A/R Electrical Reimb	19,294.05
11-1115-0000-00	A/R Miscellaneous	7,473.45
11-1122-0000-00	A/R Interest	12,745.17
11-1130-0000-00	A/R Tax Refund	(6.93)

Total Accounts Receivables:

\$38,791.92

Prepaid Expenses

12-1205-0000-00	Prepaid Group Insurance	26,323.48
12-1210-0000-00	Prepaid Insurance	13,469.63
12-1220-0000-00	Prepaid Other	7,624.78

Total Prepaid Expenses:

\$47,417.89

Other Assets

13-1385-0000-00	Processing Fees	25.00
13-1390-0000-00	Exchange/Clearing	3,069.47

Total Other Assets:

\$3,094.47

Total Assets:

\$4,042,293.99

Liabilities & Equity

Current Liabilities

20-2010-0000-00	Accounts Payable	(42,195.54)
20-2020-0000-00	Accrued Expenses	57,191.20
20-2025-0000-00	Accrued Payroll	7,789.58
20-2025-1000-00	Accrued Vacation	15,100.97
20-2026-0000-00	Prepaid Assessments	34,864.99

Total Current Liabilities:

\$72,751.20

Reserves

31-3100-0000-00	Replacement Rsrv Contribution	8,332,224.44
31-3102-0008-00	Facade	(8,525.00)
31-3102-0009-00	Landscaping	(8,010.90)
31-3102-0011-00	Planter Waterproofing	(28,881.00)
31-3102-0016-00	Balcony Survey	(16,000.00)
31-3102-0021-00	Parking Garage Repairs	(6,440.00)
31-3102-0031-00	Swimming Pool Deck	(1,025,125.19)
31-3102-0032-00	Pool Deck Membrane and Renovation	(80,205.50)
31-3102-0033-00	Roof Top Fans	(4,888.72)
31-3102-0044-00	Pool Furniture	(9,437.60)
31-3102-0050-00	Association Unit Expense	(2,840.00)
31-3102-0051-00	Remodeling	(502,701.09)
31-3102-0052-00	Pool Whitecoat	(60,798.55)
31-3102-0053-00	Boiler Replacement	(55,298.88)
31-3102-0074-00	Balcony Repair	(84,734.64)
31-3102-1100-00	Balconies, Concrete Repair	(379,380.61)
31-3102-1170-00	Soffits & Partitions, Paint Finishes	(42,064.55)
31-3102-1220-00	Walls, Masonry, Inspections, Repairs	(19,973.00)
31-3102-1225-00	Side Entrance Concrete, Masonry, Landscaping	(54,516.00)



Balance Sheet - Operating
Sample Condominium UOA
End Date: 04/30/2023

Date: 5/11/2023
Time: 9:53 am
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31-3102-1230-00 Windows, Doors, Aluminum Frames Common	(\$2,687.20)	
31-3102-1425-00 Elevators	(892,999.80)	
31-3102-1440-00 Exercise Equipment	(85,318.16)	
31-3102-1500-00 Electricity Submeters	(6,699.55)	
31-3102-1525-00 Lobby Renovations	(527,587.12)	
31-3102-1601-00 Plumbing	(6,930.00)	
31-3102-1602-00 Door Entry System - Handicapped Access	(6,786.43)	
31-3102-2181-00 Fitness Room	(25,607.50)	
31-3102-2200-00 Unit 101 Renovation Complete	(584.04)	
31-3102-2801-00 Unit 101 Renovation Partial	(1,338.00)	
31-3102-3001-00 Air handling Units, Lobby Phased	(18,650.00)	
31-3102-3002-00 Air Handling Units Mezzanine & Party Rm	(45,420.00)	
31-3102-3003-00 Elevators, Traction Controls & Equipment	(3,600.00)	
31-3102-3004-00 Generator, Emergency, 120 kw	(27,071.30)	
31-3102-3005-00 Pipes, Riser Sect, Dom H2O, Waste, Vent	(65,936.97)	
31-3102-3006-00 Pumps, Cooling Towers, 4 to 7.5HP	(7,278.65)	
31-3102-3007-00 Pumps, Domestic Water 5hp	(20,893.79)	
31-3102-3008-00 Pavers, Masonry, Sidewalks	(79,844.50)	
31-3102-3010-00 Pool Mechanical Equipment	(10,020.00)	
31-3102-3011-00 Garage Concrete, Elevated Floor Inspect & Repair	(435,799.17)	
31-3102-3012-00 Loading Dock Doors & Operators	(15,980.00)	
31-3102-3013-00 Garage Fire Suppression System	(3,277.65)	
31-3102-3014-00 Trash Chute Doors	(17,727.08)	
31-3102-3015-00 Pavers, Masonry, Driveways	(62,188.00)	
Total Reserves:		\$3,572,178.30
Equity		
33-3300-0000-00 Retained Earnings	349,001.20	
Total Equity:		\$349,001.20
Net Income Gain / Loss	48,363.29	
		\$48,363.29
Total Liabilities & Equity:		\$4,042,293.99



Income Statement - Operating
Sample Condominium UOA
04/30/2023

Date: 5/11/2023
Time: 9:53 am
Page: 1

Description	Current Period			Year-to-date			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
OPERATING INCOME							
Income							
4010-0000-00 Assessment Income	\$167,260.00	\$167,277.00	(\$17.00)	\$668,840.00	\$669,108.00	(\$268.00)	\$2,007,324.00
4016-0000-00 Storage Assessment	350.00	400.00	(50.00)	2,080.00	1,800.00	480.00	4,800.00
4030-0000-00 Late Fee Income	25.00	41.67	(16.67)	150.00	166.68	(16.68)	500.00
4035-0000-00 Legal Fee Income	-	41.67	(41.67)	-	166.68	(166.68)	500.00
4060-0000-00 Interest Income	-	6,250.00	(6,250.00)	5,829.60	25,000.00	(19,170.40)	75,000.00
4064-0000-00 Move-in Fee	625.00	500.00	125.00	2,625.00	2,000.00	625.00	6,000.00
4066-0000-00 Resale Documents charge	250.00	104.17	145.83	250.00	416.68	(166.68)	1,250.00
4080-0000-00 Recreation Income	-	50.00	(50.00)	-	200.00	(200.00)	600.00
4090-0000-00 Miscellaneous Income	544.00	41.67	502.33	793.50	166.68	626.82	500.00
Total Income	\$169,054.00	\$174,706.18	(\$5,652.18)	\$680,568.10	\$698,824.72	(\$18,256.62)	\$2,096,474.00
Total OPERATING INCOME	\$169,054.00	\$174,706.18	(\$5,652.18)	\$680,568.10	\$698,824.72	(\$18,256.62)	\$2,096,474.00
OPERATING EXPENSE							
Administrative Expenses							
5010-0000-00 Telephone	518.07	141.67	(376.40)	750.15	566.68	(183.47)	1,700.00
5015-0000-00 Postage	-	41.67	41.67	7.72	166.68	158.96	500.00
5020-0000-00 Office	350.13	83.33	(266.80)	957.76	333.32	(624.44)	1,000.00
5035-0000-00 Dues & Subscriptions	18.00	41.67	23.67	476.00	166.68	(309.32)	500.00
5040-0000-00 Legal Expenses	-	833.33	833.33	3,958.05	3,333.32	(624.73)	10,000.00
5041-0000-00 Copier	504.18	516.67	12.49	1,939.38	2,066.68	127.30	6,200.00
5045-0000-00 Audit & Accounting	-	550.00	550.00	6,100.00	2,200.00	(3,900.00)	6,600.00
5050-0000-00 Management Fees	2,592.00	2,687.50	95.50	10,368.00	10,750.00	382.00	32,250.00
5055-0000-00 Bad Debts	-	83.33	83.33	821.49	333.32	(488.17)	1,000.00
5065-0000-00 Social Program & Events	-	83.33	83.33	262.61	333.32	70.71	1,000.00
5071-0000-00 Resident Database	-	333.33	333.33	-	1,333.32	1,333.32	4,000.00
5085-0000-00 Office Equipment	16.79	250.00	233.21	106.58	1,000.00	893.42	3,000.00
5100-0000-00 Miscellaneous Admin	1,231.78	625.00	(606.78)	4,011.53	2,500.00	(1,511.53)	7,500.00
5110-0000-00 Exercise Equipment	-	87.50	87.50	-	350.00	350.00	1,050.00
5115-0000-00 Staff Education/Develop	-	125.00	125.00	-	500.00	500.00	1,500.00
5116-0000-00 Employee Party	-	58.33	58.33	-	233.32	233.32	700.00
5120-0000-00 Reserve Study	-	833.33	833.33	-	3,333.32	3,333.32	10,000.00
6361-0000-00 License & Fees	-	208.33	208.33	-	833.32	833.32	2,500.00
6365-0000-00 Income Taxes	6,000.00	583.33	(5,416.67)	8,000.00	2,333.32	(5,666.68)	7,000.00
Total Administrative Expenses	\$11,230.95	\$8,166.65	(\$3,064.30)	\$37,759.27	\$32,666.60	(\$5,092.67)	\$98,000.00
Pool Expenses							
5510-0000-00 Pool Contract	4,450.00	2,225.00	(2,225.00)	8,900.00	8,900.00	-	26,700.00
5583-0000-00 Pool Maintenance	-	250.00	250.00	-	1,000.00	1,000.00	3,000.00
Total Pool Expenses	\$4,450.00	\$2,475.00	(\$1,975.00)	\$8,900.00	\$9,900.00	\$1,000.00	\$29,700.00
Maintenance Expenses							
6015-0000-00 Janitorial Contract	6,395.00	5,750.00	(645.00)	25,580.00	23,000.00	(2,580.00)	69,000.00
6016-0000-00 Window Cleaning-Exterior	-	645.83	645.83	-	2,583.32	2,583.32	7,750.00
6018-0000-00 Carpet/Furniture Cleaning	-	433.33	433.33	-	1,733.32	1,733.32	5,200.00
6019-0000-00 Janitorial Supplies	1,255.43	583.33	(672.10)	3,226.41	2,333.32	(893.09)	7,000.00
6021-0000-00 Garage Door Repairs	-	166.67	166.67	-	666.68	666.68	2,000.00
6023-0000-00 Uniforms	-	166.67	166.67	158.05	666.68	507.73	2,000.00
6024-0000-00 Plumbing Repairs	-	333.33	333.33	-	1,333.32	1,333.32	4,000.00
6045-0000-00 Grounds Contract	6,680.00	1,750.00	(4,930.00)	6,680.00	7,000.00	320.00	21,000.00
6050-0000-00 Landscaping - Other	-	416.67	416.67	-	1,666.68	1,666.68	5,000.00
6060-0000-00 Building Repairs	3,057.51	2,500.00	(557.51)	7,349.86	10,000.00	2,650.14	30,000.00
6070-0000-00 Exterminating	278.99	141.67	(137.32)	557.98	566.68	8.70	1,700.00
6071-0000-00 Generator	-	100.00	100.00	-	400.00	400.00	1,200.00
6072-0000-00 Fire System Testing	-	595.00	595.00	6,200.00	2,380.00	(3,820.00)	7,140.00
6073-0000-00 Trash Chute Cleaning	-	183.33	183.33	-	733.32	733.32	2,200.00
6075-0000-00 Trash Service	2,489.20	1,666.67	(822.53)	7,867.83	6,666.68	(1,201.15)	20,000.00
6076-0000-00 Guard Service	7,950.74	6,666.67	(1,284.07)	23,990.13	26,666.68	2,676.55	80,000.00
6078-0000-00 Kitchen-Dryer Vent Clean	-	453.33	453.33	-	1,813.32	1,813.32	5,440.00
6082-0000-00 Garage Cleaning	-	333.33	333.33	-	1,333.32	1,333.32	4,000.00
6095-0000-00 Snow Removal Service	-	416.67	416.67	-	1,666.68	1,666.68	5,000.00
6100-0000-00 Roofing Repairs	-	666.67	666.67	-	2,666.68	2,666.68	8,000.00

**SCHEDULE B
SECTION I
ITEMIZED CHARGES FOR PERIODIC
ROUTINE SERVICES**

THE FOLLOWING IS A LIST OF ITEMS AND CHARGES THAT WOULD BE CHARGED TO THE ASSOCIATION IF THOSE SERVICES ARE USED.

THESE CHARGES ARE SUBJECT TO REVISIONS BY THE AGENT FROM TIME TO TIME, BUT NO MORE THAN ANNUALLY AND WITH THIRTY (30) DAYS PRIOR WRITTEN NOTICE TO THE BOARD LIAISON OR PRESIDENT.

<u>ITEM</u>	<u>STANDARD CHARGE</u>
Community Mailings	Postage costs plus 20¢ per page
Material Reproduction &	20¢ per copy (black & white)
Postage	Actual cost incurred
Mailing Labels	10¢/unit, minimum \$30.00
Special Assessment (One Payment)	\$5.00 per unit
Special Assessment (Multiple Payments)	\$2.00 per unit per month of occurrence
Annual Coupon Order	\$6.00 per set plus postage (No coupons if on KPA ACH)
Replacement coupons	\$6.00 per set plus postage
Late Letter	\$15.00 per letter sent
Certified Letter	\$15.00 per letter sent plus actual postage charges
Bank Fees	Actual cost (None presently)
Invoice Processing includes postage, check stock, envelopes, or electronic payments	\$1.75/invoice
Cinc Systems Software and Webaxis	35¢/unit/month
Payroll Administrative Fee for Association Employees	\$500/month plus the Paychex fee

Parkfairfax 7.25.25

**SCHEDULE B
SECTION II
ITEMIZED CHARGES FOR PERIODIC
NON-ROUTINE SERVICES**

There may be an occasion from time to time when the Board wishes additional management services beyond the scope of the management agreement. In those situations, the charges for additional services would be as follows.

THESE CHARGES ARE SUBJECT TO REVISIONS BY THE AGENT FROM TIME TO TIME, BUT NO MORE THAN ANNUALLY AND WITH THIRTY (30) DAYS PRIOR WRITTEN NOTICE TO THE BOARD LIAISON OR PRESIDENT.

KPA Principals	\$200.00 per hour
Community Manager	\$150.00 per hour
Controller/Asst. Controller	\$150.00 per hour
Accounting Staff	\$ 75.00 per hour
Administrative Staff	\$ 75.00 per hour

**SCHEDULE B
SECTION III
ITEMIZED CHARGES FOR PERIODIC
ROUTINE SERVICES**

THE FOLLOWING IS A LIST OF ITEMS AND CHARGES THE ASSOCIATION WOULD RECOVER FROM OWNERS OR WOULD BE PAID DIRECTLY BY OWNERS, DEPENDANT UPON THE ITEM.

THESE CHARGES ARE SUBJECT TO REVISIONS BY THE AGENT FROM TIME TO TIME, BUT NO MORE THAN ANNUALLY AND WITH THIRTY (30) DAYS PRIOR WRITTEN NOTICE TO THE BOARD LIAISON OR PRESIDENT.

<u>ITEM</u>	<u>STANDARD CHARGE</u>
Demand Account Balance Letters	\$15.00 each
Move-In Set-up Fee	\$40.00 per move in
Attorney Turnover Includes Updates	\$50.00 per case
Returned Check/Electronic Debit Charge	\$25.00 per item
Resale Disclosure Certificate	As Allowed by Statute
Pre - Settlement Update	\$40.00
Mortgage Questionnaire	\$125.00

Sentry Management, Inc.
7619 Little River Turnpike #210
Annandale VA 22003

Dear Board of Directors:

It is our pleasure to present the Board with Sentry Management's proposal for financial services management for **ParkFairfax Condominium Unit Owners Association**. We realize there are many community association management companies for you to choose from and we appreciate the opportunity to present our services and qualifications.

Sentry Management provides exceptional community association management solutions with the transparency and visibility your community deserves while maintaining our focus on providing world-class customer service and standards of excellence to the client communities we are privileged to serve. We have a dedicated group of employees who are experts in the industry and who will serve you as well. We know that association directors are selfless volunteers whose duties are often time-consuming and thankless. Our responsibility at Sentry is to provide you with comprehensive support and guidance to make your jobs easier and more successful.

Sentry provides experienced operational leadership for your community through a dedicated team headed by a Community Manager. Your manager will plan and coordinate association meetings, monitor deed restrictions and coordinate vendor management. Additionally, we will provide detailed financial and manager reports and offer several online payment options and real-time financial information available to you 24/7.

The knowledge, skills, and commitment of your management team is one of the most important considerations when evaluating any management company. Sentry provides our managers with unsurpassed support services, empowering them to focus on your needs and provide impeccable service to you and your community members.

We hope the following pages answer your questions and demonstrate the value Sentry can provide as a partner and advisor for the association. We thank you for the opportunity to provide our proposal and ask to meet with you to go over the proposal in more detail and answer any questions. Thank you again for your time and consideration.

Sincerely,

Dave Ciccarelli
Regional Vice President Business Development – East Region
Sentry Management, Inc.
dciccarelli@sentrymgt.com
800.634.5919 x59943

The following pages provide an overview of Sentry Management and our capabilities.

1. Executive Summary

o **Brief Introduction of the Company** – Sentry Management is a full-service community association management company. Sentry was founded in 1975 in central Florida where we remain headquartered. Over the past 50 years, we have grown to 46 operational Divisions managing more than 3,200 community associations in 26 states. In Virginia, Sentry has offices in Annandale and Leesburg and manages approximately 230 community associations. Sentry is an Accredited Management Organization (AMO®) through the Institute of Real Estate Management (IREM). Sentry's Foundation Principles include our Enterprise Goal, "Sentry Management will be the best management company in the country", our Core Value, "We embrace the honor to serve our communities", and our Service Standard, "In every interaction: kindness, professionalism and timely resolution". Sentry Management is a privately held stock corporation. Sentry Management exclusively manages homeowners' associations and condominium associations. Sentry does not provide property management or rental/leasing/apartment management services.

Sentry is focus-driven through the Sentry Promises which include:

On-Time & Accurate Financials - Sentry makes sure association's financials are delivered on-time, are accurate, and easy to read. Sentry's standard financial reporting package includes a balance sheet, revenue & expense report, transaction register, check register, accounts receivable/delinquency report, accounts payable report, purchase journal, and general ledger. In addition, Board members can access a live view of the financial reports in CommunityPro® at any time.

Reliable Communication – Sentry's Community Managers respond quickly and accurately to association queries. Prompt, courteous interaction is a top priority, whether communications are in-person, on the phone, or via email. We understand that you need an acknowledgement that we heard you and that a solution is in progress. Sentry also has a dedicated customer service line for quick solutions to questions about account access, payment issues, and more.

Community Presence – At Sentry, we promise to be present and available to ensure all elements of the community are maintained according to the association standards. Our visits and updates consist of covenant reviews, amenity and common area reviews, vendor work reviews and architectural reviews. We perform site visits as promised, per the frequency listed in the management agreement. (NOTE: This Promise applies more to full-service management clients)

Vendor Coordination – Sentry Management has well-established process to assist with vendor selection, assigned tasks, and payments. Sentry utilizes a bid management software tool that provides our team members with a platform to create and compare professional Requests for Proposal (RFPs) for vendors which, in turn, provides board members better information to award contracts. Sentry also tracks vendor insurance and approves vendor invoices and payments in CommunityPro® for a streamlined process from start to finish. (NOTE: This Promise applies more to full-service management clients)

Great Meetings – Sentry's Community Managers are trained to ensure our community's boards are equipped for well-run meetings. From scheduling and planning to board packet prep and distribution, to meeting support and coordinating post-meeting action items, a Sentry Community Manager can facilitate productive and positive meetings. (NOTE: This Promise applies more to full-service management clients)

Simplified Technology - CommunityPro® is Sentry Management's proprietary software that puts all of your community's information and operations in one place. The secure web portal provides homeowners with access to their account balances, association documents, calendars, and more. Board members have on-demand access to all of their community's financial information as it happens.

2. Company Qualifications and Experience

- **Years Managing Virginia Associations** – Sentry has managed community associations for the past 50 years and manages approximately 3,200 community associations in 26 states and 46 separate markets. Sentry has operated in the Virginia market for the past 28 years and has offices in Annandale and Leesburg that manage approximately 230 community associations in northern, central and southeastern Virginia. ParkFairfax would be managed out of Sentry's Annandale office.

3. Key Personnel – Names/Experience of Assigned Team Members/Manager Experience & Qualifications

- **Community Association Manager** – Karen Pangakis will be assigned as the community association manager for ParkFairfax. Karen has over 10 years of community association management experience and holds CAI's Certified Manager of Community Associations (CMCA) and Association Management Specialist (AMS) designations.
- **Annandale Division Vice President** – Anastasia Rose, CMCA, is the Annandale Division Vice President. Anastasia has 19 years of community association management experience including 15 years in General Manager roles at large, high-rise condominiums with multi-million dollar budgets.
- **Annandale Division President** – Angela Weed, CMCA/AMS/PCAM (candidate), is the Annandale Division President. Angela has 7 years of community association management experience and an additional 20 years of experience in various customer service, property management and education roles.
- **East Region President** – Todd Wawrzyniak is Sentry's East Region President. Todd has 28 years of business and management experience including more than 20 years in community association management.

4. Financial Management & Reporting

- **Budgeting Strategy, Reserve Planning, and Collection Policies** – Sentry's management support team will prepare draft annual budgets using zero-based budgeting and taking into account revenues and expenses pertaining to existing contracts, proposed contracts where award has not been made at time of draft budget preparation, historical expenditures, the association's reserve study and more. Sentry will assist the Board with budget review and approval and provide guidance throughout the process. For Reserve Planning, we will ensure that reserve studies are conducted in accordance with state statute, as applicable, and community association industry best practices and that reserve study awards include post-study presentations/conferences with the Board of Directors and the reserve analysts. As part of the annual budget process, Sentry will review the current reserve study, physically inspect capital assets and report to the Board on which reserve tasks should be kept current, accelerated, or delayed based on visual inspection. Concerning account delinquencies and collections, Sentry will process delinquent accounts in accordance with the governing documents, including the compliance due process resolution up to the point of transitioning an account to the association's legal counsel for collections. After that point, Sentry will work with counsel to supply necessary data for pursuing legal action including, but not limited to judgments, liens, garnishments, etc.

- **Financial Reporting and Compliance** – All Sentry client Boards of Directors receive monthly fully-reconciled financial statements whether there is a meeting scheduled or not. Sample financial reports are included via separate attachment. Financial reports are prepared by accounting staff who have no access to payments or statement reconciliation processes. CommunityPro® provides Board members with on-demand visibility to real-time financial information including all transactions and reconciled bank statements. Association tax returns and audits are prepared and performed by independent, third party CPA firms.
- **Fraud Prevention and Audit Measures** – Sentry will liaise with the Association's selected accounting firm to provide financial information for completion of Association audits and tax returns. Internally, Sentry segregates financial tasks so that no single individual handles more than one single task thereby making fraud virtually impossible. In addition to financial management being conducted in accordance with Generally Accepted Accounting Principles (GAAP) using accrual accounting, in order to maintain Sentry's AMO® designation through IREM, we undergo annual internal audits by independent third-party auditors. As an added point of transparency, through Sentry's CommunityPro® software, Board members have the ability to view and download financial reports in real time, 24/7/365.
- **Vendors/Accounts Payable** – New association vendors are reviewed and registered through VendorSmart. Vendor insurance documents are maintained, tracked and reviewed annually. Invoices are either received electronically or digitized by staff before review and payment. There is a \$150 annual registration fee paid by primary vendors which registers a vendor with proof of insurance and legitimate business status to protect the Association. The registration fee also covers the employment of licensed insurance agents to read the vendors' policies and ensure that coverage is adequate to protect the Association and to communicate directly with the IRS to confirm that W-9s are active and that the business is operating legitimately in Virginia. Sentry managers are able to code invoice payments to multiple expense accounts. Invoices above \$10,000 require separate written Board of Directors authorization to pay and Division President approval. Invoices above \$20,000 required Region President approval. Invoices about \$50,000 require Executive Vice President of Association Management approval. Invoices above \$100,000 require approval by Sentry's President. Separate accounts payable functions are performed by separate individuals. Checks are cut daily by the Accounts Payable Department and are printed on blank paper (i.e., no check stock with account numbers is retained).
- **Accounts Receivable** – Unit owners have six (6) different payment options including check by mail, third party bank check, Automated Clearing House (ACH), debit card, credit card, and payment by phone. The last three of these payment options have convenience fees charged by the financial institution. Owners can also pay assessments at Moneygram locations. Assessments are posted to association and unit owner accounts daily and are credited in accordance with association designated application protocols.
- **Delinquency Processing** – Sentry's collections process is largely automated with protocols set in accordance with association governing documents (e.g., Collections Due Process Resolution). Collections staff reviews accounts receivable monthly, notifies delinquent owners (per above) and refers delinquent accounts for legal action as necessary.
- **Banking/Financial Transactions** – Association bank signatories have no accounting duties (e.g., check preparation, account reconciliation). New bank account setups and bank account closures are performed by a select few Banking Department personnel as the process requires access to sensitive personal information. Bank statement reconciliation is performed by Banking Department staff who do not approve vendors or create or approve vendor payments. Bank account reconciliations are randomly rotated among staff members on a regular basis so that no one person consistently reconciles the same

bank account. Sentry partner banks send daily electronic transactions files for comparison with Sentry accounting system transactions.

5. Service Commitments & Performance Metrics

- **Guaranteed Response Times** – Sentry's service standard is to respond to all regular (i.e., non-emergency) inquiries within 24 business hours. For Board members, we make every effort to respond same day.
- **Vendor Selection** – Sentry can assist the on-site staff in sourcing vendors that best match the Association's needs. Ideally, such vendors are experienced in providing products and/or services to Sentry community association clients and are licensed, bonded and insured, as applicable. In lieu of vendors with whom Sentry has direct client experience, we seek vendors with broad experience in providing products and/or services to commercial community associations and who are affiliated with the industry trade organization, Community Associations Institute (CAI) through which we can network to obtain reviews of their work.

6. Technology & Communication Tools

- **Homeowner and Board Portal** – Sentry Management uses CommunityPro®, our proprietary enterprise community association management software system, which includes web portal access for owners and Board members. CommunityPro® brings community needs and information to one place for easy access and management. The system was custom-built based on our underlying philosophies of service, efficiency and transparency. CommunityPro® is a secure, password-protected, cloud-based information portal with access to association documents, policies, event calendars and more. The portal includes management modules for unit owners and Board members, making operations like violations, architectural reviews and work orders virtual. Internal modules for Sentry team members include key information such as a property profile, vendor information, mailing information, owner details, insurance records, action item/work order tracking, and architectural and violation tracking. CommunityPro® also features on-demand Board member access to association financial information as it happens with multiple reporting and output options. During the transition/onboarding process, existing action item/work order data can be uploaded to CommunityPro® and reviewed by the on-site staff and the Board of Directors to ensure currency and accuracy. All owners will have access to CommunityPro® to view their account, pay assessments, and view and download select documents access to which is determined by the Board. When a Board member logs in, the system grants them enhanced permissions to view all owner accounts, access and download all archived association documents, view and download real-time financial information, view and download action items and work orders, send e-blasts (if designated as an association web administrator).

CommunityPro® is specifically designed to meet diverse requirements seamlessly while being user-friendly. Built on robust cloud platforms, Azure and AWS, CommunityPro® ensures that clients will always have the resources they need, from limitless hardware to extensive storage. This scalability level allows us to grow as needs change over time. The system is organized into multiple modules, each serving specific functions, with all smoothly integrated to provide a streamlined user experience.

We are happy to arrange a demonstration of CommunityPro® for the Board of Directors.

- **Online Payment and Invoice Processing capabilities** – Within CommunityPro®, Sentry will establish individual online accounts for all unit owners and will post assessment payments and late fees, legal fees, special assessments and all other debits, as applicable to individual owner ledgers. Through CommunityPro®, owners will have six options for paying assessments including hard check/regular mail, online banking, ACH, debit card, credit card and telephone payments. Sentry will post late charges

and interest and will transition delinquent unit owner accounts to the association's attorney for appropriate legal action, as applicable and in accordance with the governing documents and Board direction. Sentry will establish vendors in CommunityPro® including uploading certificates of insurance, W-9s and licensing documentation, as applicable. We will receive, upload, code and pay vendor invoices in accordance with management agreements constraints, the approved budget and Board direction.

- **Cybersecurity and Data Protection Policies** – Although CommunityPro® is web-based, there are no strict network requirements for access other than a reliable internet connection. In addition, (a) no data is stored on public servers, (b) audit logs are kept of all access, (c) all member and association data is stored on internal or private cloud servers protected by firewalls and virtual private networks (VPNs), (d) web access to data is accomplished through a secure VPN between the public web server and private Sentry servers and is limited to specific Internet Protocol (IP) numbers and port numbers, (e) a valid login is required to access data through CommunityPro®. Logins are limited to what data a user can access based on their credentials, whether Sentry personnel or association/Board member, (f) passwords are encrypted on private servers so no one, including Sentry staff, can obtain a user's password, (g) all data sent between the CommunityPro® site and the user's internet browser is encrypted and verified by GeoTrust, Inc. Sentry's Home Office staff includes our in-house technical support team headed by a corporate Vice President and charged with maintaining, updating and enhancing all Sentry hardware and software assets including CommunityPro® and related and unrelated software and systems, both in-house and off-the-shelf. Sentry's tech support team routinely provides hardware and software support to Sentry's local Divisions nationwide,

Sentry's team members also make extensive use of MS Teams both for internal communications and for clients to facilitate virtual meetings (both formal and informal). We can also leverage third-party software to facilitate electronic voting and mass SMS text communications. Sentry Community Managers are also fully capable within the suite of MS Office applications.

ON-TIME & ACCURATE FINANCIALS

Sentry makes sure associations' financials are delivered on time, accurate, and easy to read. Sentry Management's standard financial reporting package includes a balance sheet, revenue & expense report, transaction register, check register, accounts receivable and delinquency report, accounts payable report, purchase journal, and general ledger. Plus, board members can access a live view of the financial reports in CommunityPro® at any time.



RELIABLE COMMUNICATION

Sentry's community managers respond quickly and accurately to association queries. Prompt, courteous interaction is a top priority, whether communications are in-person, on the phone, or via email. We understand that you need an acknowledgment that we heard you and that a solution is in progress. Sentry also has a dedicated customer service line for quick solutions to questions about account access, payment issues, and more.



COMMUNITY PRESENCE

At Sentry we promise to be present and available to ensure all elements of the community are maintained according to the association standards. Our visits and updates consist of covenant reviews, amenity and common area reviews, vendor work reviews and architectural reviews. We perform site visits as promised, per the frequency listed in the management agreement.



RELIABLE VENDOR COORDINATION

Sentry Management has well-established processes to assist with vendor selection, assigned tasks, and payments. Sentry utilizes a bid management software tool that provides our team members with a platform to create and compare professional Requests for Proposal (RFPs) for vendors, which in turn provides board members better information to award contracts. Sentry also tracks vendor insurance and approves vendor invoices and payments in CommunityPro® for a streamlined process from start to finish.



GREAT MEETINGS

Sentry's community managers are trained to ensure our community's boards are equipped for well-run meetings. From scheduling and planning to board packet prep and distribution, to meeting support and coordinating post-meeting action items, a Sentry community manager can facilitate productive and positive meetings.



DEDICATED SERVICE TEAM



In addition to your Community Association Manager, our team also has additional support supplied by a Dedicated Service Team, consisting of personnel specializing in resales, accounts receivable, accounts payable, general ledger, assessments/collections, a 24/7 on-call emergency response, and more. These assigned team members serve as an extension to your manager and handle time-consuming tasks to provide added support to the association and manager.

TECHNOLOGY



Sentry's propriety technology CommunityPro® will be a huge asset for the board and your owners. The free platform provides board and homeowner portals with an unparalleled level of transparency and simplified services. Through the Board portal, board members can keep an eye on operations through the work order/manager action item tabs in addition to having access to downloadable and sortable financial records in real-time, owner profiles, contracts, and all community information. Additionally, the platform also features an email center that allows our team, the board, or supporting committees the ability to quickly communicate with homeowners on community updates.

FINANCIAL EXPERTISE & TRANSPARENCY



Within the Dedicated Service Team, our general ledger team has a tremendous amount of experience in association accounting. Internal auditing procedures provide a routine overview of all accounting personnel. In addition, our CommunityPro® technology provides the board with 24/7 access to live financials and reports.

MAINTENANCE TEAM



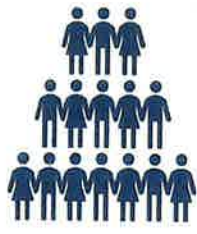
Sentry's maintenance team offers on-site or general maintenance services for our clients. Your association can build a maintenance program or preventative maintenance package by choosing from our maintenance service offerings or you can utilize our maintenance technicians on an as-needed basis.

HOMEOWNER PAYMENT OPTIONS



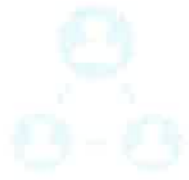
Sentry provides homeowners with six easy ways to pay. Homeowners can pay online by setting up auto-pay, making a one-time online payment, or using their own bank's bill pay services. Additionally, homeowners can pay by phone, mail a check, or make a payment in person in their local office.

CUSTOMER EXPERIENCE



Sentry is proud to be the pioneer of a proactive approach for the associations we manage with a nationwide progressive focus on customer experience. Sentry offers both a Customer Service and Customer Experience Team as an added benefit to all of the associations we work with. Sentry's multilingual Customer Service Team is available via phone, email, or web to help homeowners access their online account, understand their current balance, make a payment or resolve payment issues, and answer basic association questions.

ARCHITECTURAL APPLICATION PROCESS



Your community will be able to submit and approve Architectural Review Committee (ARC) requests directly from a computer or smart device in 3 easy steps through our CommunityPro® system and the related decisions will be captured and logged on the homeowner's record in the architectural notebook on CommunityPro®.

LEGISLATIVE ACTION



Sentry is proud to have its division leaders serving on Legislative Action Committees through the Community Associations Institute. The LAC works to monitor state legislation, educate lawmakers, and protect the interests of those living and working in community associations. Each committee is comprised of leaders, community managers, and representatives from community association business partners who graciously volunteer their time. This committee represents CAI members in federal advocacy that focuses on the United States Congress, administrative agencies, and other regulatory bodies.

NATIONAL DATA



Sentry services associations in a multitude of states allowing visibility to comparison and operational data for our associations. This data can help assist the board in implementing association best practices, fee structures, and feedback on new technology, systems, and more.



FINANCIAL MANAGEMENT SERVICES PRICING

Sentry Management's base price to provide the financial management services described in the RFP is \$7,578/month (\$90,936/year).

CONTRACT TERM

- 1-year agreement

Note: Sentry also offers incentivized, multi-year agreements.

REFERENCES

- Gary Jones – President, BeechTree Community Association (1,869 homes)
15511 Beech Tree Parkway, Upper Marlboro MD 20774
301.509.4189, gary.jones@beechtree.org
Sentry client for 2 years
- Fiona Lassiter – President, The Unit Owners Association of Old Town Greens Condominium (128 homes)
1601 Hunting Creek Drive, Alexandria VA 22314
571.265.9364, fionalassiter@gmail.com
Sentry client for 1 year
- Stephen Thayer – President, Torpedo Factory Condominium Association (110 homes)
120 Cameron Street, Alexandria VA 22314
703.201.8370, wsthayer@yahoo.com
Sentry client for 14 years
- Kevin Ming – President, Devon Hills Condominiums (323 homes)
Devon Hills Drive, Fort Washington MD 20744
954.560.3345, kevinming76@gmail.com
Sentry client for 5 years
- Laura Murphy – President, Woodstone Homeowners Association (502 homes)
7136 Cold Spring Court, Alexandria VA 22306
703.395.0088, lauran.murphy@gmail.com
Sentry client for 15 years
- Isaac Crumpton – President, The Villages Section 1-A (85 homes)
8611 Sacramento Drive, Alexandria VA 22309
336.253.6441, iccrumpton@icloud.com
Sentry client for 14 years

SUNNYO
SUNNYLAND ASSOCIATION INC

FINANCIAL REPORT
July 2021

BALANCE SHEET

REVENUE & EXPENSE BUDGET COMPARISON REPORT

MONTHLY TRANSACTION REGISTER

CHECK REGISTER

ACCOUNTS RECEIVABLE REPORT

CLOSING REPORT

ACCOUNTS PAYABLE REPORT

SORTED ACCOUNTS PAYABLE PURCHASE JOURNAL

PREPARED BY:

SENTRY MANAGEMENT, INC. (EXPORTED)

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***** SUNNYLAND ASSOCIATION INC
***** NOTES TO THE FINANCIAL *****

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PAGE 1

COA#	DESCRIPTION	COMMENTS	DATE
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SUNNYLAND ASSOCIATION INC
B A L A N C E S H E E T
July 2021

SUNNY0

PAGE 2

ASSETS		OPERATING	RESERVE	REPAVEMENT	CAP CONT	TOTAL
CURRENT ASSETS						
1015	PACIFIC WESTERN - CHECKING - PRIMARY	5,734.22				5,734.22
1052	TRUIST BANK - CD 02/5/2032 1.75%	15,668.34				15,668.34
1060	TD BANK - MM - RESERVE		33,203.71			33,203.71
1080	PACIFIC WESTERN - CHECKING - S/A REPVMT			4,319.93		4,319.93
1084	PACIFIC WESTERN - CHECKING - CAPITAL CON				13,802.31	13,802.31
ACCOUNTS RECEIVABLE						
1210	ASSESSMENTS	21,402.56	33,203.71	4,319.93	13,802.31	72,728.51
1280	DUE FROM OPERATING TO RESERVE	2,163.35	11,266.67			2,163.35
PREPAID ASSETS						
1310	PONTELL PKG INS 6/1-5/31 \$99,539.81	2,163.35	11,266.67	0.00	0.00	13,430.02
1320	TERMINEX TERMITE BOND 4/1-3/31 \$946.00	32,949.90				32,949.90
		630.72				630.72
FIXED ASSETS - DEPOSITS						
1710	DUKE ENERGY - ELECTRIC	33,580.62	0.00	0.00	0.00	33,580.62
		375.00				375.00
		375.00	0.00	0.00	0.00	375.00
TOTAL ASSETS						
		57,521.53	44,470.38	4,319.93	13,802.31	120,114.15

SUNNYLAND ASSOCIATION INC
BALANCE SHEET
July 2021

SUNNYO

LIABILITIES

	OPERATING	RESERVE	REPAVEMENT	CAP CONT	TOTAL
2010 ACCOUNTS PAYABLE	15,708.51				15,708.51
2040 SPECIAL ASSESSMENT - REPAVEMENT			27,000.00		27,000.00
2041 SPENT FROM S/A - REPAVEMENT			(22,680.07)		(22,680.07)
2130 PREPAID ASSESSMENTS	4,129.39				4,129.39
	19,837.90	0.00	4,319.93	0.00	24,157.83
RESTRICTED EQUITY - RESERVES					
2210 MAJOR MAINTENANCE - ROOFS		9,459.64			9,459.64
2215 MAJOR MAINTENANCE - INTEREST		21.87			21.87
2230 MAJOR MAINTENANCE - PAINT		7,930.22			7,930.22
2250 MAJOR MAINTENANCE - ROADS		14,977.03			14,977.03
2270 MAJOR MAINTENANCE - DEFERRED MAINTENANCE		15,459.41			15,459.41
2290 MAJOR MAINTENANCE - POOL		3,519.40			3,519.40
2344 MAJOR MAINTENANCE - SHUTTERS		3,620.74			3,620.74
SPENT FROM RESERVES		(10,517.93)			(10,517.93)
2450 MAJOR MAINTENANCE - ROADS	0.00	44,470.38	0.00	0.00	44,470.38
OPERATING EQUITY					
2630 CAPITAL CONTRIBUTION				13,802.31	13,802.31
2650 PRIOR YEAR SURPLUS (DEFICIT)	39,719.35				39,719.35
2670 CURRENT YEAR SURPLUS (DEFICIT)	(2,035.72)				(2,035.72)
	37,683.63	0.00	0.00	13,802.31	51,485.94
	57,521.53	44,470.38	4,319.93	13,802.31	120,114.15
TOTAL LIABILITIES & EQUITY					

SUNNYLAND ASSOCIATION INC
REVENUE & EXPENSE BUDGET COMPARISON REPORT
JULY 2021

	CURRENT PERIOD	MONTHLY BUDGET	MONTHLY VARIANCE	7 MONTH PERIOD	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET
INCOME							
4020 ASSESSMENTS - EARNED - MONTHLY	11,288.00	11,288.00	0.00	79,016.00	79,016.00	0.00	135,456
4060 LATE CHARGES	30.62	2.50	28.12	90.57	17.50	73.07	30
4100 INTEREST - OPERATING ACCOUNTS	22.83	25.00	- 2.17	159.11	175.00	- 15.89	300
4200 LAUNDRY INCOME	91.97	41.67	50.30	333.51	291.65	41.86	500
4340 INTEREST-RESERVES	21.87	103.00	- 81.13	139.57	721.00	-581.43	1,236
4350 INTEREST ALLOC TO RESERVES	- 21.87	-103.00	81.13	-139.57	-721.00	581.43	- 1,236
4970	11,433.42	11,357.17	76.25	79,599.19	79,500.15	99.04	136,286
4980 TOTAL INCOME	11,433.42	11,357.17	76.25	79,599.19	79,500.15	99.04	136,286

EXPENSES

BUILDING MAINTENANCE

5010 BUILDING MAINTENANCE	132.50	583.33	-450.83	8,451.50	4,083.35	4,368.15	7,000
5060 PLUMBING REPAIRS	232.87	25.08	207.79	232.87	175.60	57.27	301
5080 ELECTRICAL REPAIRS	0.00	0.00	0.00	129.00	0.00	129.00	0
5180 TERMITE BOND	78.75	212.00	-133.25	551.77	1,484.00	-932.23	2,544
5209 JANITORIAL CLEANING	500.00	416.67	83.33	3,500.00	2,916.65	583.35	5,000
5250 EXTERIOR PEST CONTROL	0.00	125.00	-125.00	1,014.96	875.00	139.96	1,500
5260 WATER AND SEWER	509.95	583.33	- 73.38	3,852.25	4,083.35	-231.10	7,000
5280 TRASH REMOVAL	379.76	333.33	46.43	2,668.32	2,333.35	334.97	4,000
5300 ELECTRIC POWER	380.27	500.00	-119.73	2,929.88	3,500.00	-570.12	6,000

SUNNYLAND ASSOCIATION INC
REVENUE & EXPENSE BUDGET COMPARISON REPORT
JULY 2021

	CURRENT PERIOD	MONTHLY BUDGET	MONTHLY VARIANCE	7 MONTH PERIOD	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET
5341 FIRE EXTINGUISHERS	0.00	0.00	0.00	333.88	0.00	333.88	0
5400 CABLE SERVICE	786.78	684.17	102.61	5,505.99	4,789.15	716.84	8,210
5990	3,000.88	3,462.91	-462.03	29,170.42	24,240.45	4,929.97	41,555
<p> GROUNDS MAINTENANCE 6040 CONTRACTED LAWN SERVICE 6120 IRRIGATION REPAIR 6140 WATER-IRRIGATION 6240 TREE TRIM & REMOVAL 6650 STREET MAINTENANCE 6990 </p>	686.76 207.32 136.79 0.00 0.00 1,030.87	833.33 250.00 166.67 185.67 166.67 1,602.34	-146.57 - 42.68 - 29.88 -185.67 -166.67 -571.47	4,552.32 1,526.23 761.53 0.00 703.00 7,543.08	5,833.35 1,750.00 1,166.65 1,299.65 1,166.65 11,216.30	-1,281.03 -223.77 -405.12 -1,299.65 -463.65 -3,673.22	10,000 3,000 2,000 2,228 2,000 19,228
<p> POOL/CLUBHOUSE EXPENSE 7040 CONTRACTED POOL SERVICE 7043 POOL PERMIT 7990 </p>	376.38 0.00 376.38	233.33 16.67 250.00	143.05 - 16.67 126.38	2,050.08 200.00 2,250.08	1,633.35 116.65 1,750.00	416.73 83.35 500.08	2,800 200 3,000
<p> MANAGEMENT & ADMINISTRATIVE 8020 MANAGEMENT FEE 8040 POSTAGE </p>	367.50 5.74	367.50 29.17	0.00 - 23.43	2,572.50 66.79	2,572.50 204.15	0.00 -137.36	4,410 350

SUNNYLAND ASSOCIATION INC
REVENUE & EXPENSE BUDGET COMPARISON REPORT
JULY 2021

	CURRENT PERIOD	MONTHLY BUDGET	MONTHLY VARIANCE	7 MONTH PERIOD	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET
8060 COPIES/PRINTING/SUPPLIES	27.02	37.50	- 10.48	215.87	262.50	- 46.63	450
8080 CPA SERVICES	0.00	62.50	- 62.50	750.00	437.50	312.50	750
8100 LEGAL EXPENSE	0.00	83.33	- 83.33	425.00	583.35	-158.35	1,000
8120 INSURANCE	2,812.97	4,083.33	-1,270.36	28,778.13	28,583.35	194.78	49,000
8121 D & O INSURANCE	0.00	83.33	- 83.33	737.94	583.35	154.59	1,000
8160 ELECTRONIC TRANSMISSIONS/PHONE	13.93	7.50	6.43	66.70	52.50	14.20	90
8190 MISCELLANEOUS	0.00	2.50	- 2.50	18.50	17.50	1.00	30
8230 BANK CHARGES	0.00	4.17	- 4.17	0.00	29.15	- 29.15	50
8390 ANNUAL CORPORATE REPORT	0.00	5.08	- 5.08	61.25	35.60	25.65	61
8460 BUREAU OF CONDOMINIUM FEES	0.00	9.33	- 9.33	112.00	65.35	46.65	112
8490	3,227.16	4,775.24	-1,548.08	33,804.68	33,426.80	377.88	57,303
RESERVE FOR REPLACEMENT							
9110 ROOFS	291.67	291.67	0.00	2,041.65	2,041.65	0.00	3,500
9130 PAINT	208.33	208.33	0.00	1,458.35	1,458.35	0.00	2,500
9150 ROADS	150.00	150.00	0.00	1,050.00	1,050.00	0.00	1,800
9190 POOL	500.00	500.00	0.00	3,500.00	3,500.00	0.00	6,000
9244 SHUTTERS	116.67	116.67	0.00	816.65	816.65	0.00	1,400
9400	1,266.67	1,266.67	0.00	8,866.65	8,866.65	0.00	15,200
9980 TOTAL EXPENSES	8,901.96	11,357.16	-2,455.20	81,634.91	79,500.20	2,134.71	136,286

SUNNYLAND ASSOCIATION INC
REVENUE & EXPENSE BUDGET COMPARISON REPORT
JULY 2021

SUNNY0

CURRENT PERIOD	MONTHLY BUDGET	MONTHLY VARIANCE	7 MONTH PERIOD	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET
2,531.46	0.01	(2,531.45)	(2,035.72)	(0.05)	2,035.67	0
9990 GAIN (LOSS)						

PROPOSED BUDGET INCREASE PERCENTAGES	
ESTIMATED INCOME INCREASE:	2.00%
MANAGEMENT FEE INCREASE:	0.00%
NM GRT:	7.76%
INFLATION / CPI INCREASE:	8.00%
ESTIMATED LANDSCAPE MAINT. INCREASE:	3.00%
ESTIMATED UTILITY INCREASE:	3.00%
ONSITE STAFF ANNUAL INCREASE:	0.00%
INSURANCE PREMIUM INCREASE:	8.00%

Calendar or Fiscal Budget Year: Calendar
Year Beginning: January 1 Year Ending: December 31

Assessment Frequency: Monthly

COA # Category		2020			2021			2022			2023			
		Assessment: \$ 16.06		Variance Over / (Favorable)	Assessment: \$ 17.24		Variance Over / (Favorable)	Assessment: \$ 17.24		3-Year Average Expense	Assessment: \$ 18.06		% Change Increase / (Decrease)	Unit/Lol Per Year
4000 INCOME		Budgeted	Actuals		Budgeted	Actuals		Budgeted	YTD Actuals	Year End Projection	PROPOSED	Annual Increase / (Decrease)		
4020	Assessments	\$ 32,550.00	\$ 31,680.00	\$(870.00)	\$ 34,960.00	\$ 37,018.64	\$ 2,058.64	\$ 34,960.00	\$ 17,490.00	\$ 34,960.00	\$ 36,611.07	\$ 1,651.07	4.72%	\$ 218.83
4060	Life Charges	-	102.01	102.01	-	759.00	759.00	-	563.11	1,126.22	662.41	-	0.00%	-
4080	Cleaning Fees	-	-	-	-	-	-	-	200.00	400.00	-	-	0.00%	-
4183	Gift Cards	-	270.00	270.00	-	195.00	165.00	-	-	-	165.00	-	0.00%	-
4292	Governant Violation Fines	-	25.00	-	-	50.00	50.00	-	150.00	300.00	-	-	0.00%	-
4340	Interest - Reserves	25.00	24.82	(0.18)	25.00	31.75	6.75	25.00	12.72	25.44	25.50	0.50	2.00%	0.15
4350	Interest Alloc to Reserves	(25.00)	(24.82)	(0.18)	(25.00)	(31.75)	(6.75)	(25.00)	(12.72)	-	(18.66)	-	0.00%	-
4959	Allowance For Doubtful Accounts	-	(71,812.11)	(71,812.11)	-	-	-	-	-	-	(629.37)	-	(829.37)%	(4.91)
4980	Total - Income	\$ 32,540.00	\$ 24,855.89	\$(7,684.11)	\$ 34,960.00	\$ 38,022.64	\$ 3,062.64	\$ 34,960.00	\$ 18,353.11	\$ 36,911.56	\$ 36,887.20	\$ 427.20	2.42%	\$ 211.88
EXPENSES														
6000 Grounds Maintenance:														
6041	Grounds Maintenance	\$ 6,000.00	\$ 5,044.24	\$(955.76)	\$ 5,200.00	\$ 5,216.85	\$ 16.85	\$ 5,330.00	\$ 2,684.46	\$ 5,386.92	\$ 5,480.00	\$ 949.00	2.89%	\$ 32.48
6045	Additional Landscapes	\$ 1,000.00	\$ 711.98	\$(288.02)	\$ 1,500.00	\$ 334.40	\$(1,165.60)	\$ 1,375.00	-	-	\$ 340.50	\$ 175.50	(5.45)%	\$ 7.69
6120	Impaction Repair	\$ 887.25	\$ 1,486.88	\$ 699.63	\$ 500.00	\$ 1,005.40	\$ 505.40	\$ 500.00	\$ 345.85	\$ 691.70	\$ 1,064.68	\$ 500.00	0.00%	\$ 2.86
6240	Tree Trim & Removal	-	-	-	-	2,589.00	\$ 590.00	\$ 500.00	-	-	-	\$ 1,500.00	(100.00)%	-
6412	Street Light Maintenance	\$ 800.00	\$ 184.18	\$(615.82)	\$ 300.00	\$ 566.35	\$ 266.35	\$ 300.00	-	-	\$ 83.51	\$ 300.00	0.00%	\$ 1.78
6427	Gate Internal Substitution Fee	\$ 170.00	-	\$(170.00)	-	-	-	-	-	-	-	-	0.00%	-
6430	Gate/Fencing Repair - Metal	\$ 600.00	\$ 1,461.70	\$ 861.70	\$ 2,000.00	\$ 1,166.77	\$(833.23)	\$ 1,000.00	\$ 291.26	\$ 592.52	\$ 750.00	\$ 150.00	(25.00)%	\$ 4.44
6550	Signs	-	\$ 442.26	\$ 442.26	-	-	-	-	-	-	-	-	0.00%	-
6620	Gate Telephone	\$ 730.00	\$ 757.63	\$ 27.63	\$ 755.00	\$ 816.31	\$ 61.31	\$ 795.00	\$ 404.31	\$ 808.67	\$ 830.00	\$ 24.00	3.02%	\$ 4.85
6990	Total - Grounds Maintenance	\$ 9,887.25	\$ 10,104.10	\$ 216.85	\$ 12,255.00	\$ 11,886.40	\$(368.60)	\$ 8,881.00	\$ 3,776.88	\$ 7,461.78	\$ 9,168.00	\$ 1,686.90	(16.85)%	\$ 64.30
7900 Utilities														
7910	Electric	\$ 1,300.00	\$ 748.07	\$(551.93)	\$ 1,210.00	\$ 839.37	\$(370.63)	\$ 1,250.00	\$ 335.95	\$ 647.82	\$ 889.00	\$ 241.00	(20.05)%	\$ 5.51
7920	Water/Sewer	\$ 500.00	\$ 287.13	\$(212.87)	\$ 460.00	\$ 284.27	\$(175.73)	\$ 500.00	\$ 144.37	\$ 286.74	\$ 515.00	\$ 15.00	3.00%	\$ 3.05
7999	Total - Utilities	\$ 1,800.00	\$ 1,035.20	\$(764.80)	\$ 1,670.00	\$ 1,123.64	\$(546.36)	\$ 1,750.00	\$ 479.32	\$ 934.56	\$ 1,404.00	\$ 131.50	(13.46)%	\$ 8.56
8000 Administrative & Management:														
8020	Management Fee	-	-	-	-	-	-	-	-	-	-	-	0.00%	-
8021	NM Gross Receipt Taxes	-	-	-	-	-	-	-	-	-	-	-	0.00%	-
8040	Postage	\$ 75.00	\$ 185.82	\$ 110.82	\$ 250.00	\$ 133.48	\$(116.52)	\$ 250.00	\$ 68.01	\$ 136.02	\$ 270.00	\$ 20.00	8.00%	\$ 0.13
8090	Copies/Printing/Supplies	\$ 300.03	\$ 528.10	\$ 228.07	\$ 300.00	\$ 453.05	\$ 153.05	\$ 319.82	\$ 360.80	\$ 721.80	\$ 430.00	\$ 110.38	34.55%	\$ 2.54
8090	CPA Services	\$ 260.00	\$ 268.09	\$ 6.09	\$ 267.00	\$ 266.69	\$ 2.69	\$ 272.00	\$ 538.38	\$ 1,078.76	\$ 300.00	\$ 30.00	11.17%	\$ 0.15
8100	Legal Expense	\$ 2,600.00	\$ 2,558.60	\$(41.40)	\$ 950.00	\$ -	\$ 950.00	\$ 1,000.00	\$ -	\$ -	\$ 650.00	\$ 150.00	(15.00)%	\$ 5.03
8120	Insurance	\$ 2,376.00	\$ 2,180.14	\$(195.86)	\$ 2,250.00	\$ 2,748.31	\$ 498.31	\$ 2,215.00	\$ 1,107.42	\$ 2,214.84	\$ 2,392.20	\$ 177.20	8.00%	\$ 1.18
8190	Miscellaneous	-	-	-	\$ 2,250.00	\$ -	\$ 2,250.00	\$ 2,215.00	\$ -	\$ -	\$ 2,392.20	\$ 177.20	8.00%	\$ 1.18



July 29, 2025

Dear Board of Directors,

Thank you for all the time you devote as a board member. You play a vital role in the financial health of your association. The association's success can depend on the alignment of the board of directors and financial management company. We are grateful that you have chosen to include FirstService Residential in this process, and we are committed to doing everything we can to support your community and achieve your objectives.

Ensuring you have all the necessary financial expertise for your community to thrive can be overwhelming. However, when you team up with a company that offers unique financial management solutions, you can devote your attention to making strategic decisions that benefit the community.

We have learned that communities similar to Parkfairfax need a trusted and professional financial management partner to deliver exceptional service on key industry standards, including:

- Depth of Expert Financial Resources and Support
- Financial Visibility, Transparency and Reporting
- Accounts Payable and Accounts Receivable
- Budget Preparation
- Enhanced Risk Management
- Cash Management

Our recommendation includes information to help you with your decision-making and a plan for a seamless financial management transition. We invite you to use us as a benchmark throughout your evaluation process.

Thank you for considering us in your selection process. I will follow up with you soon to further discuss how we can best serve your community.

We look forward to partnering with the board and welcoming Parkfairfax Unit Owners Association to life, simplified.

Sincerely,

A handwritten signature in black ink, appearing to read "Raymond Tate", written over a light blue circular stamp.

Raymond Tate
Vice President, Lifestyle & Developer Services
FirstService Residential
703.342.9020 | Raymond.Tate@fsresidential.com

Financial management objectives

Several factors go into choosing the right financial management partner. Boards often underestimate the amount of work required to address the seemingly simple financial needs of a community.

Drawing on our 38+ years of experience providing professional community association management to properties similar to yours, we have found many common needs that all communities share. We know that Parkfairfax seeks a company with expertise in providing professional financial management services tailored to the community's needs, with unique solutions and simplified processes. The following issues must be addressed to protect the association's short- and long-term financial health.

Resources

Boards often struggle to receive timely responses to accounting questions, and access to accounting professionals. *You need direct access to your accountant and senior financial experts.*

Financial Transparency and Reporting

Accurate and timely financial reporting is a challenge for many boards. *You need professional, timely and accurate financial reporting so you have a clear understanding of the financial position of the association and can make sound financial decisions.*

Accounts Payable

Associations struggle with timely vendor payments, often resulting in late fees. *You need management with a streamlined accounts payable process to ensure timely payments to vendors.*

Accounts Receivable

Many associations struggle with high delinquencies, creating a financial strain on the association. *You need a financial management team to consistently enforce your collection policy.*

Budget Preparation

Oftentimes, without proactive, professional financial management, boards struggle with accurate and timely budget development. *You need an experienced, proactive financial team of experts to develop a timely, accurate, and effective annual budget.*

Risk Management

Associations without an accounting team with proper segregation of duties, as well as checks and balances in place are at risk for financial mistakes or theft. *You need a financial management team that has processes and procedures in place to mitigate the risk of financial mistakes and theft.*

Cash Management

Often boards do not realize the potential to earn additional income on investments, or available savings for loans, if needed. *You need a financial management company with vast financial resources to leverage on behalf of the association.*



To address the need for resources

Management companies often have financial services functions, such as accounts payable, accounts receivable, financial reporting, bank reconciliations, etc., all being performed by the same individual. This lack of internal controls, could result in risk to the association.

Our accounting team structure includes a segregation of duties and Sarbanes-Oxley compliant processes and procedures. With a professional team of financial experts, all of our accountants hold an accounting degree, and are available to speak with clients to answer any questions. In addition, our accountants have a unique support structure to ensure you receive timely, professional financial management services.

We recommend our extensive in-house resources and support

We believe that FirstService Residential is the only management company that possesses the talent, experience, depth of resources and processes necessary to ensure that Parkfairfax receives the highest-quality financial management services available. We will ensure that your community manager and board have the financial information and support needed to effectively manage your association.

Your community will be supported by various executive-level team members in addition to your designated accountant, and a team of financial and management experts. We also have standard operating procedures and systems to ensure continuous and seamless coverage is provided when your accountant is unavailable due to vacation or other reasons. FirstService Residential provides this unique support structure to ensure that you receive timely and professional financial services, and benefit from best practices. The 360-degree organizational chart illustrates the FirstService Residential depth of support, which is unlike any other in the industry (see page 24).



To address your need for professional financial management

You expect your management team to offer a professional accounting department with the financial awareness, systems and technology to provide timely, transparent, accurate financials.

We recommend our proven financial processes

Timely and accurate reporting of an association's financial matters is a critical element of effective community management, including the long-term financial stability of your property. With decades of experience in managing association financial systems, we provide our clients with the confidence that their financial matters will always be expertly handled by our team of financial professionals.

Our accounting team will provide the following services:

- Conduct a thorough review of Parkfairfax's financial records
- Implement our internal control procedures that provide you with maximum assurance that your financial matters are being handled with full transparency
- Offer multiple payment options to help reduce delinquencies and improve cash flow
- Deliver timely financial packages prepared following Generally Accepted Accounting principles (GAAP)
- Work in collaboration with the board and finance/budget committee (if applicable) to develop annual budget
- Introduce our client accounting team to answer questions from the board and conduct periodic financial reviews
- Provide CPA access for financial reporting as needed for audits and tax returns

As part of FirstService Corporation, a publicly-traded company (NASDAQ, TSX: FSV), FirstService Residential is held to the highest standards of transparency, security and accountability. We are subject to Sarbanes-Oxley financial control requirements for public companies, giving you peace of mind.





To address your need for timely vendor payments

The board needs a financial management partner, with access to systems and technology to provide timely and accurate payments of invoices and up-to-date ledgers.

We recommend our accounts payable technology and procedures

FirstService Residential utilizes an industry leading accounts payable processing system which offers the board greater control and transparency of the important aspects of accounts payable while streamlining the overall process. Invoices are processed regularly, with management review and authorization. We pay all invoices in an accurate and timely manner so that we avoid unnecessary interest or late payment penalties for our clients. This accounts payable system offers board members many benefits, including:

- 24/7 availability and mobile access – review and approve invoices anytime, anywhere with ability for multiple levels of approval
- Streamlined processes so your management team can focus more on the community issues
- Notifications when any actions (such as an invoice approval) are needed
- Full transparency throughout the process – tracking of invoices, coding, approvals and audits
- Fraud reduction and environmentally conscious (no paper)
- Easier process/less time needed from external auditors

Paying vendors on time saves money by avoiding late fees, and builds trust with vendors to ensure the community receives prompt service and the attention to detail you deserve.





To address your need for effective collections

The board needs a process to enforce and maximize the collection of receivables as specified by the association's collection policy. You expect delinquent account reporting to make it easy to determine which fees are late to ensure efficient collections and positive homeowner relationships.

We recommend consistent enforcement of the association's collection policy

Proper maintenance of your community and its amenities largely depends on the timely collection of receivables. As such, we apply strict compliance with your association's collection policy, with no time wasted on deciding when or how to respond to homeowner delinquent accounts. If there is no written collection policy, we can work with association counsel to create and institute a collection resolution for board approval.



To address poor collection rates, we can analyze where your current problems are and identify ways to close those gaps. Our experts can work with the board to define or revise the collection policy that addresses delinquencies and each subsequent action if fees remain unpaid. We will ensure homeowners understand the board's position on delinquent fees.

We recognize the need to offer various payment options for homeowners to make timely assessment payments. Options for making association maintenance fee payments include:

- Lockbox – Traditional method of receiving and processing a mailed check with a coupon
- Direct Debit – Payment method that allows the association to automatically retrieve payments from a bank account authorized by the homeowner
- Online Electronic Payment - Service that permits payment by electronic check or credit card on a one-time or recurring basis
- Online Bill Pay - Homeowner payments are processed electronically through the homeowner's online bill pay service

We provide monthly delinquent and prepaid reports for review by the board. If payment is not received after 30 days, late notices are issued per the association's policies and procedures.

During the initial setup of your account in our accounting system, the specific policies of the association are utilized as the framework. After that, in general, the following occurs monthly:

- Late fees and fines are automatically assessed per the association's late fee and fine policy by our AR representative
- Late notices are generated accordingly
- Before mailing, the late fee notice report may be reviewed by the manager as a quality control measure

Should the owner not submit payment as requested, subsequent collection actions are taken, including the issuance of a demand letter or forwarding to association counsel.

Having processes and procedures in place for the consistent, timely collection of association dues is vital to the financial health of the community.



To address your need for accurate budgeting

Parkfairfax needs a management partner with an extensive depth of financial resources and experience in analyzing and creating operational budgets, as well as proven financial programs and best practices that will continue to yield value.

We recommend our budget preparation process

Budgeting is a joint process between our accounting team, primarily the assigned staff accountant and the community manager, with oversight from our regional executives.

This team will develop an operating and capital budget and provide an initial draft to the board 90 - 120 days before the end of the fiscal year. All supporting financial information, including prior year and year-to-date financial information, are available for reference throughout the budget process.

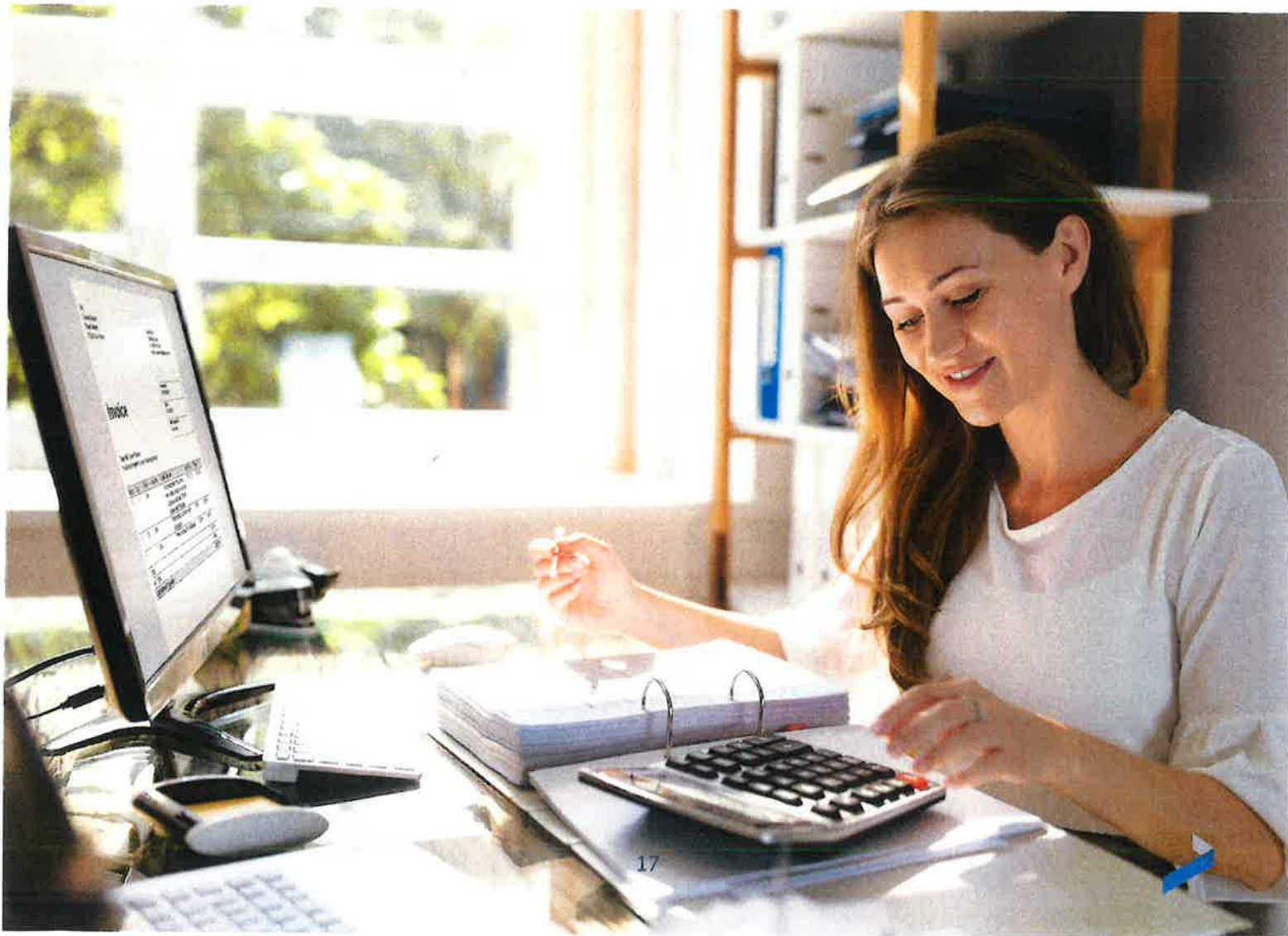


During this process, the following resources, at a minimum, will be referenced to produce the most accurate budget product:

- Financial reports
- Contracts in place or active bids for the following fiscal year
- Preventive maintenance schedules
- Reserve study financial analysis
- Projected current year loss/gain
- Input from committees for necessary work outside of contract
- Review of anticipated utility/insurance increases as available
- Audit commentary and recommendations

This timeline will be based on the stipulations of the governing documents and the need to prepare for a community meeting to present the proposed budget. Our team will work collaboratively with the board to ensure timely notification to homeowners regarding annual assessments prior to each new fiscal year, as well as throughout the year, as needed.

Effective budgeting allows the board to make important decisions that affect the financial and physical health of the association.



To address your need to mitigate financial risk

To minimize financial risk to the association, you need a professional financial team with secure technology and strict internal controls, including segregated responsibilities and no co-mingling of funds.

We recommend our rigorous risk management practices

As a public company, we are held to the highest standards and there is never any co-mingling of funds or responsibilities. This mitigates risk by of theft and fraud - protecting your community's money.

In addition to our internal financial control processes, all data falling within our sphere of responsibility is secured and protected on multiple overlapping levels and constantly reviewed, evaluated, and upgraded at the local, regional and national levels to meet rigorous standards. SSL certificates, firewalls, secure network transmissions, authentication and account creation requirements, software-based virus and malware applications, and backup and recovery.



To address your need for cost containment

Parkfairfax needs a financial management partner with access to national resources and proven programs that can reduce costs, increase yield on deposits, and protect the overall bottom line for your community and your residents. The right programs and best practices will continue to yield value on an ongoing basis.

We recommend leveraging our exclusive banking and lending relationships

By consolidating the bank accounts of its North American clients into select top-tier banking institutions, we have the leverage to eliminate fees on operating accounts while delivering significantly higher interest rates on reserve accounts. Additional benefits include:

Banking and Cash Management

- Access to preferred interest rates on FDIC-insured money market accounts and CDs allows your community to increase returns on your reserve fund investments
- We will analyze your current investments and make recommendations to increase your interest income
- Review of reserve funds and comprehensive analysis to ensure your association is maximizing interest income
- Ensure your investments remain below the FDIC insurance limit of \$250,000
- Provide you with the security that balances are covered with exclusive, enhanced deposit insurance solutions
- Partnerships with national banks that allow for a seamless account-opening process

If desired, we can provide an in-depth analysis to identify potential areas of additional earnings and/or cost savings.

Lending

- Flexible financing solutions offer loan structures to fit your community's needs
- Strong relationships with many regional and national lending institutions provide your community with premier banking and lending options
- Expedited funding timelines with streamlined underwriting for association loans regarding capital improvement projects

We leverage our many banking and financial relationships to ensure the best outcomes for our clients, resulting in potentially lower-interest-rate loans and a higher return on financial investments.





About us

What sets us apart?

Our accounting team is led by a seasoned accounting executive who oversees our protocols and ensures that you receive timely and comprehensive financial statements each month. Internal control procedures are in place to assure you that your financial matters are handled with full transparency. Our accrual financial reports follow Generally Accepted Accounting Principles (GAAP). In addition, our accounting operations are held to Sarbanes-Oxley (SOX) standards. We undergo an annual SOX audit in which all procedures and controls are reviewed.

FirstService Residential provides financial statements for our clients with budgets ranging from \$100,000 to \$31MM and includes all scenarios from simple, straightforward accounting functions to complex consolidation of various entities. Our accounting systems and procedures are based on best practices developed since our inception in managing the financial component of community associations. We are committed to consistently reviewing and improving our department structure and processes.

Our centralized database and internal controls ensure proper entry, withdrawal, and monitoring of your assets. Our thorough checks-and-balances approach includes monitoring all accounts receivable, all accounts payable, cash flow, and liquidity.

As a public company, we are held to the highest standards and there is never any co-mingling of funds or responsibilities. This mitigates risk by reducing theft, mistakes and fraud - protecting your community's money.

FirstService Residential is simplifying property management. We partner with boards of directors, owners and developers to enhance the value of every property and the life of every resident. Our local experts have the expertise to anticipate needs and respond with our unique solutions. We work with many property types including:

- Low-, mid- and high-rise condominiums and cooperatives
- Single-family and townhomes
- Highly-amenities large-scale master-planned communities
- Lifestyle and active adult communities
- Developer-controlled communities
- Multi-family, investor-owned rental, and REO properties

We believe property management goes beyond properties. It is about peace of mind. Our proactive approach, responsiveness, and dedication to simplifying life as a board member are why thousands of communities across the US and Canada choose FirstService Residential to manage their properties. Our scale enables us to provide unique resources and solutions for challenges of any size or level of complexity.

Diversity and inclusion are at the core of who we are. Our commitment to these values is unwavering across the communities we manage and within our organization. Our associates form the heart of FirstService Residential. We owe our success to these talented property management professionals who share their diverse knowledge and experience daily with our communities. We value their commitment to the board members, homeowners, and residents.

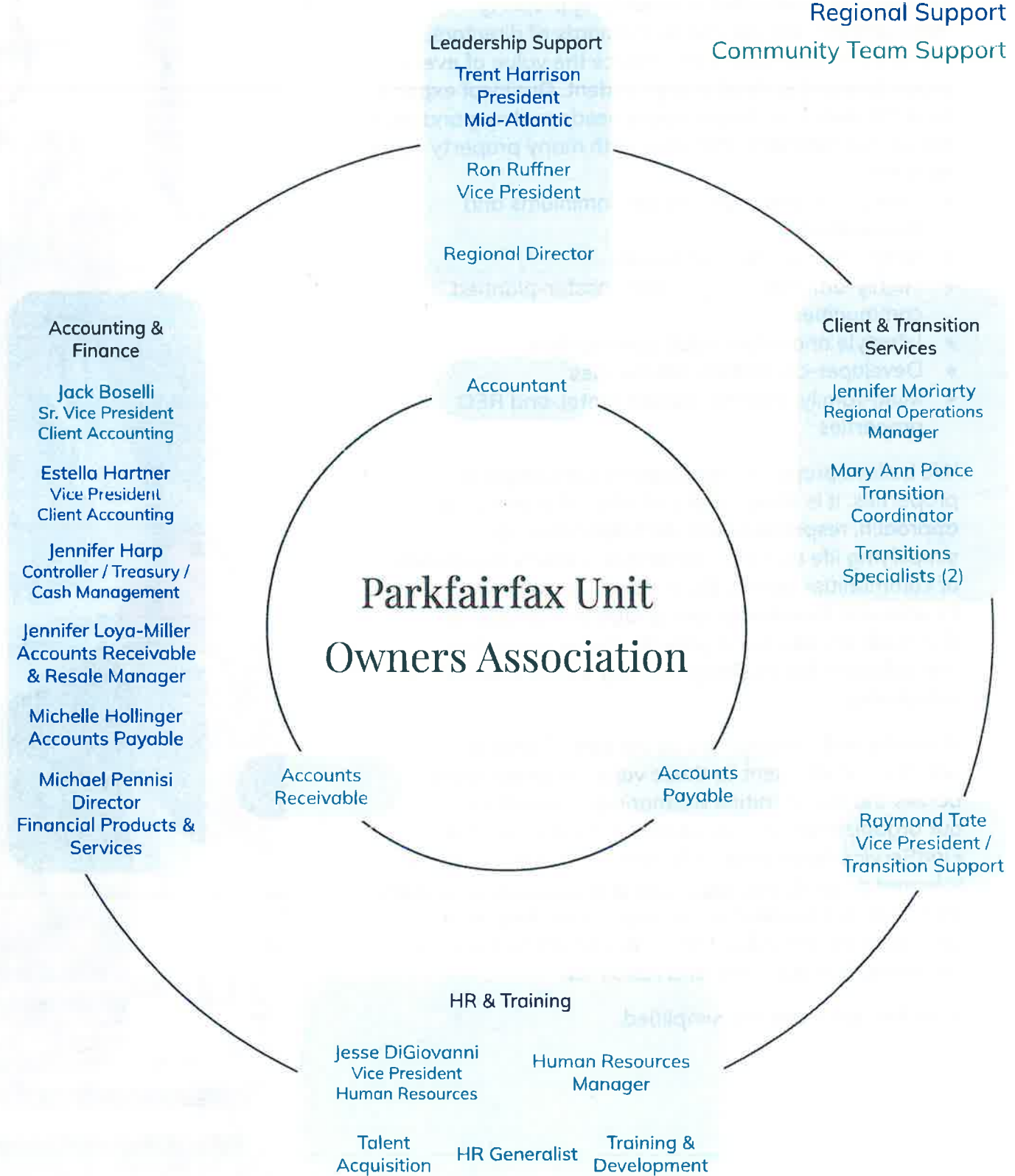
Together we make life, simplified.



360° of Support

Regional Support

Community Team Support



Investment

Financial management services fee

The services detailed in this proposal and the Overview section below are included in our monthly financial management fee of \$7,917.

One-time on-boarding fee

One-time on-boarding fee: \$2,500

This one-time fee covers the following transition activities and labor:

- Dedicated transition team of associates from corporate accounting, client accounting, executive management, re-sale and collections, who meet weekly to ensure a smooth transition to FirstService Residential.
- Review of all association financial information and related documents by senior accounting associates, including a review of the association's collection policy.
- Review of budget and investment information.
- Initial creation of homeowner accounts in our accounting software, including input of initial ownership information and account balances.
- Conversion of chart of accounts.
- Preparation of general ledger balances.
- Set-up of association bank accounts, with appropriate signature authorizations.
- Set-up of association dues, late fees and collection policy.
- A comprehensive sample transition timeline is detailed in our proposal on page 32.

Overview of financial management services

Resources

- Financial support and guidance
- Access to financial subject matter experts

Assessments

- Receive assessment payments via check with coupons, statements, direct debit, bank bill-pay, credit card or e-check by phone.
- Deposit all receipts in a segregated account in the name of the association at a financial institution recommended by FirstService Residential, with the approval of the board.
- Maintain a computerized monthly record of assessment billings, late fees, adjustments, and payments received.
- Prepare a monthly delinquency listing.
- Assist in the development and enforcement of a delinquency procedure and policy.
- Administer the established delinquency procedures by charging the appropriate late fee and issue late letters in accordance with the association's policy as well as the Federal Fair Debt Collection Act on behalf of the association.
- Support and cooperate with legal counsel on collection matters.

Disbursements

- Receive, review, and approve invoices on behalf of the association. Obtain board approval, when appropriate, based on the association's policy.
- Utilize our accounts payable processing system (this industry-leading system offers the board greater control and transparency of the important aspects of accounts payable while streamlining the overall process). Benefits include:
 - o 24/7 availability and mobile access – The management team can review/approve invoices 24/7; we ensure multiple levels of approval before a check is issued
 - o Streamlined processes so your management team can focus more on the community issues
 - o Notifications when any actions (such as an invoice approval) are needed
 - o Full transparency throughout the process – tracking of invoices, coding, approvals, audits
 - o Fraud reduction and environmentally conscious (paperless)
 - o Easier process/less time needed from external auditors
- Prepare and disburse checks for payment of approved expenses from association accounts. Inspect and/or verify to the best of the manager's ability that all work performed by contractors has been satisfactorily performed before payment is made.
- Maintain monthly disbursement files, which include copies of all invoices with copies of all checks and check registers.
- Issue all necessary forms within Internal Revenue Service guidelines.

Audit and Tax Return

- Upon selection by the board, work closely with an independent certified public accountant on behalf of the association to prepare an annual certified audit of the association records and income tax return.
- Review and make recommended adjustments to the association records as outlined in the audit.



Financial Reports

- Prepare and maintain all records necessary to produce the monthly financial report which includes the following:
 - o Balance Sheet
 - o Income Statement
 - o Delinquency Report
 - o Pre-Paid Report
 - o AP Paid Invoice Listing or AP Check History Report
 - o General Ledger
 - o Bank Reconciliation
 - o Bank Statements
- The reports listed above are provided utilizing our accounting software and are available in hard copy or digital copy on-line via FirstService Residential Connect™.

Budget Preparation

- Prepare the initial draft of the annual budget approximately 120 days prior to commencement of the new fiscal year.
- Work with and support the budget/finance committee (if applicable) and/or the board through the approval process.
- Distribute the final budget to all owners in accordance with the governing documents and local law at least 30 days prior to the commencement of the fiscal year, or as directed by the board.

Reserve Funding

- Maintain reserve funds in a segregated interest-bearing account based upon the major repair and replacement fund report prepared by an engineering firm.
- As part of the annual budget process, review the reserve study recommended funding and projected expenses to ensure the community follows the plan to stay properly funded.
- Coordinate the recommendations of the finance committee (if applicable) and/or the board in investing the reserve funds.

Fidelity Insurance

- Assist the board in securing insurance that will be a minimum of an amount equal to 3 months collections plus the total of all reserve funds, or as required by FNMA or the governing documents, whichever is greater.

The above investment quotation is valid for 60 days from the date of this Proposal.

Thorough and worry-free Financial management transitions with FirstService Residential

Service Launch (Contract signed)

- Client Transition Team is notified of new account and team set up meeting is scheduled
- Launch:
 - Research community needs: Type, location, size, amenities
 - Internal company departments readiness
 - Internal company systems readiness
 - > Finance (General Ledger, Accounts Receivable & Payable)
- Gather association information for FirstService Residential Connect™ (internal operating system) and Customer Care Center
- Set up internal department drives for association data storage
- Prepare management tracking tool for all activity and correspondence related to the community
- Coordinate retrieval of all association documents, records, and property information from previous management company

Critical Success Factor:

(applies to all stages of launch process)
Timely access and receipt of association information, documents, and records from current management company

Materials and documents (60 Days – start date)

- Secure all association legal documents and operational agreements:
 - Budgets
 - Subsidy agreements (if applicable)
 - Cost sharing agreements (if applicable)
- Verify the existence of and/or obtain the following:
 - Collection policy
 - Presence of collection attorney
 - Secretary of State form and submit with filing fee
 - Vendor/subcontractor names and contact information
- Provide periodic updates to the board regarding transition progress

Operational planning (60 Days – start date)

- Confirm fiscal year end and budget needs
- Review CC&R's and Bylaws
- Correspondence sent to current banking institutions notifying them of management and contract change
- Create all working folders/filing system
- Ensure operational agreements have been received for and copied to the company department responsible for monitoring, i.e.:
 - Subsidy agreements, if applicable
 - Cost sharing agreements
 - Maintenance agreements

Quality assurance (Start date through 1st 30 days)

- Ensure collection policy and collection attorney have been approved by board of directors
- Prepare project review checklist
- Work with management leadership to review the following:
 - Financial preliminary statement
 - Financial statement
 - Management invoice
- Work with management leadership to ensure transition checklist has been completed
- Continue working with management leadership during the first year to ensure consistent delivery of service expectations
- Client Transition Team dedicated to assisting the management team with questions and requests for the first 60 days

Your transition team



Jennifer Moriarty
Regional Operations Manager



Lola Lowe
Transitions Coordinator



MaryAnn Ponce
Operations Coordinator

Financial Statement Summary Analysis



Association: SAMPLE ASSOCIATION
 Period ending: July 31, 20XX
 Accountant: Jack Boselli

Total Operating	\$181,680
Cash Total	\$1,331,263
Reserve Cash	
Total Accounts Receivable	\$121,014
Less: Allowance for Doubtful Accounts	-\$64,894
Net Accounts Receivable	\$185,908

Accounts Receivable - Over 90 Days	\$98,495
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Prepaid Assessments	\$171,287
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Total Accounts Payable	\$9,475
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Total Accrued Expense	\$26,258
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Insurance:

Policy type:	Expiration
Property	12/31/20XX
Liability	12/31/20XX
Directors and Officers	12/31/20XX
Fidelity Bond	12/31/20XX
Umbrella	12/31/20XX
Workers	12/31/20XX
Compensation	

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
Operating Income	(\$5,876)	\$163	(\$6,039)	\$48,187	\$1,141	\$47,046
(Loss) Reserve	\$33,111	(\$71,889)	\$105,000	\$81,471	(\$503,223)	\$584,694
Income (Loss)						

Operating Budget Variances Current Month - In Excess of \$2,500

General Ledger #	Account Description	Variance	Explanation
75608	Admin Salaries	(\$6,015)	Additional Associate - Rental Program
75600	Maintenance Payroll	\$2,859	Understaffed by one associate
74106	Mowing	(\$5,088)	Additional Mowing service not budgeted
75711	Payroll-Lifeguards	(\$11,842)	Seasonal Wages
76416	Water System	(\$4,884)	Water system line repairs not budgeted
		\$0	
		\$0	
		\$0	
		\$0	
		\$0	
		\$0	
		\$0	

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SAMPLE ASSOCIATION
BALANCE SHEET
07/31/20XX

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G/L ACCOUNT #	ACCOUNT NAME	OPERATING FUND	RESERVE FUND	TOTAL
	ASSETS			
	CURRENT ASSETS			
	CASH			
11930	CASH OPERATING - ALLIANCE ASSOCIATION BA	173,232	0	173,232
11910 2624M1	CASH OPERATING METROPOLITAN #4189	7,889	0	7,889
12110	CASH PAYROLL	560	0	560
13006 2624S1	SIGNATURE BANK RSV MONEY MARKET #8849	0	399,477	399,477
13008 2624E1	ESSA BANK RESERVE MONEY MARKET #1713	0	72,638	72,638
13011 2624W1	WAYNE BANK RESERVE MONEY MARKET #6571	0	50,055	50,055
13011 2624W2	WAYNE BANK RESERVE MONEY MARKET #1971	0	151,317	151,317
13018 2624C1	CITIZEN'S BANK RESERV MONEY MARKET #1045	0	96,562	96,562
13019 2624C1	CITY NATIONAL BANK R MONEY MARKET #4461	0	101,379	101,379
13020 2624R5	CASH RESERVE FIRST NTL BANK-2 CDs	0	261,056	261,056
13023 2624S1	WEBSTER BANK RESERV MONEY MARKET #4432	0	96,630	96,630
13026 2624C1	CIT BANK RESERVE MONEY MARKET #4129	0	91,369	91,369
13065 2624F1	FVC RESERVE MONEY MARKET #3123	0	10,781	10,781
	TOTAL CASH	181,680	1,331,263	1,512,944
	RECEIVABLES			
21000	ACCOUNTS RECEIVABLE	120,765	0	120,765
21025 MISC	A/R OTHER MISCELLANEOUS	249	0	249
21204	RECEIVABLE OTHER-RESERVES	0	266,642	266,642
22300	ALLOWANCE FOR DOUBTFUL ACCOUNTS	(64,894)	0	(64,894)
	TOTAL RECEIVABLES	56,121	266,642	322,763
	PREPAID EXPENSES			
26000 EXPENS	PREPAID EXPENSE - EXPENS	7,276	0	7,276
26100	PREPAID INSURANCE	29,683	0	29,683
26200	PREPAID TAXES	2,700	0	2,700
	TOTAL PREPAIDS	39,659	0	39,659
	TOTAL CURRENT ASSETS	277,460	1,597,906	1,875,365
	PROPERTY & EQUIPMENT			
32105	MAINTENANCE BUILDING	36,601	0	36,601
32106	STORAGE SHED	78,325	0	78,325
32118	SPORTS COMPLEX	907,371	0	907,371
32119	GATE IMPROVEMENTS	201,843	0	201,843
33005	VEHICLES & EQUIPMENT	286,103	0	286,103
35001	RSVS VEHICLE 2020 SUBARU	0	28,372	28,372
	TOTAL PROPERTY & EQUIPMENT	1,510,242	28,372	1,538,614
	ACCUMULATED DEPRECIATION			
36015	A/D MAINTENANCE BUILDING	(27,032)	0	(27,032)
36106	A/D STORAGE SHED	(55,154)	0	(55,154)
36118	A/D SPORTS COMPLEX BLDG	(684,309)	0	(684,309)
36119	A/D GATE IMPROVEMENTS	(100,921)	0	(100,921)
36300	ACCUMULATED DEPRECIATION VEHICLE	(275,189)	0	(275,189)
	TOTAL ACCUMULATED DEPRECIATION	(1,142,604)	0	(1,142,604)
	DUE TO/FROM	872,871	(872,871)	0
	TOTAL ASSETS	1,517,969	753,406	2,271,375
	LIABILITIES & FUND BALANCE			
	CURRENT LIABILITIES			
42100	ACCOUNTS PAYABLE	9,475	0	9,475
21005	PREPAID ASSESSMENTS	171,287	0	171,287
	TOTAL ACCOUNTS PAYABLE	180,762	0	180,762

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<p align="center">SAMPLE ASSOCIATION BALANCE SHEET 07/31/20XX</p>
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C/O FirstService Residential
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G/L ACCOUNT #	ACCOUNT NAME	OPERATING FUND	RESERVE FUND	TOTAL
43100	ACCRUED EXPENSES			
	ACCRUED EXPENSES	26,258	0	26,258
	TOTAL ACCRUED EXPENSES	26,258	0	26,258
	OTHER LIABILITIES			
44100	DEFERRED REVENUE	(3,109)	0	(3,109)
44110 262401	INSURANCE CLAIM(S) - DOL 08/11/21 LIGHTN	3,634	0	3,634
44110 262402	INSURANCE CLAIM(S) - FIRE CLAIM 1/28/22	178,719	0	178,719
	TOTAL OTHER LIABILITIES	179,244	0	179,244
	FUND BALANCE			
	OPERATING FUND			
51001	PRIOR OPERATING FUND BALANCE	862,792	0	862,792
52025 SEPTIC	OTHER OPER FUNDS SEPTIC	200,000	0	200,000
56000	PENDING AUDIT ADJUSTMENTS	9,486	0	9,486
	CURRENT YEAR PROFIT / (LOSS)	48,187	0	48,187
	TOTAL OPERATING FUND	1,120,465	0	1,120,465
	WORKING CAPITAL FUND			
50105	WORKING CAPITAL CURRT YR	11,240	0	11,240
	TOTAL WORKING CAPITAL FUND	11,240	0	11,240
	RESERVE FUND			
57600 R&R	RESERVE FUND BALANCE RESERVE/REPLACEMENT	0	671,935	671,935
57620 INTER	RSV-CURR YR CONTRIB INTEREST	0	1,356	1,356
57620 RC	RSV-CURR YR CONTRIB RESERVE CONTRIB	0	228,375	228,375
57630 EXP	RSV-CURR YR EXPENDI EXPENSE	0	(148,260)	(148,260)
	TOTAL RESERVE FUND	0	753,406	753,406
	TOTAL LIABILITIES & FUND BALANCE	1,517,969	753,406	2,271,375

C/O FirstService Residential
123 SAMPLE WAY
SAMPLE TOWN SS 11111

ACCT #	DESCRIPTION	CURRENT MO. ACTUAL	CURRENT MO. BUDGET	MONTH DIFFERENCE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE DIFFERENCE	ANNUAL BUDGET
OPERATING INCOME								
60200	ASSOCIATION FEES	125,763	125,763	0	880,341	880,341	0	1,509,156
61214	DISCOUNT	(407)	(367)	(40)	(2,849)	(2,569)	(280)	(4,400)
61605	RENTAL REGISTRATION	10,720	7,167	3,553	86,480	50,169	36,311	86,000
62200	STORAGE INCOME	700	770	(70)	5,005	5,390	(385)	9,240
64000	LATE FEE INCOME	640	417	223	4,940	2,919	2,021	5,000
64075	CCS COLLECTIONS	0	8	(8)	0	56	(56)	100
64200	FINES / VIOLATIONS	800	167	633	2,000	1,169	831	2,000
64300	NSF CHARGES	40	0	40	119	0	119	0
65000	OTHER INCOME	0	0	0	1,742	0	1,742	0
65052	GATE CARD PURCHASE	0	17	(17)	0	119	(119)	203
65100	MAINTENANCE & REPAIR INCOM	0	83	(83)	0	581	(581)	1,000
65300	CLUBHOUSE INCOME	0	17	(17)	0	119	(119)	200
68000	INTEREST INCOME	8	83	(75)	37	581	(544)	1,000
68010	RESERVE INTEREST	491	167	324	1,356	1,169	187	2,000
69000	CAPITAL CONTRIBUTION	3,450	4,500	(1,050)	92,142	31,500	60,642	54,000
	TOTAL OPERATING INCOME	142,205	138,792	3,413	1,071,313	971,544	99,769	1,665,499
OPERATING EXPENSES								
ADMINISTRATIVE EXPENSE								
75608	ADMINISTRATIVE SALARIES	27,914	21,899	(6,015)	125,970	153,293	27,323	262,790
78101	OFFICE EXPENSE	2,059	417	(1,642)	7,113	2,919	(4,194)	5,000
78111	COPIER EXPENSE	0	42	42	675	294	(381)	500
78150	POSTAGE & SHIPPING	94	125	31	2,090	875	(1,215)	1,500
78170	PRINTING & REPRODUCTION	1,603	375	(1,228)	8,444	2,625	(5,819)	4,500
78171	MINUTE TAKER	0	21	21	0	147	147	250
78301	TELEPHONE/OFFICE	620	167	(453)	4,092	1,169	(2,923)	2,000
76551	CABLE/INTERNET	125	25	(100)	750	175	(575)	300
78400	BANK FEES	0	42	42	35	294	259	500
79160	NEWSLETTERS AND WEB SITE	0	42	42	0	294	294	500
79200	MEETING EXPENSE	42	42	0	427	294	(133)	500
79211	QTRLY MEETINGS-FOOD	0	15	15	0	105	105	175
	TOTAL ADMINISTRATIVE EXPEN	32,458	23,212	(9,246)	149,595	162,484	12,889	278,515
GENERAL EXPENSES								
70500	BAD DEBT	250	250	0	1,750	1,750	0	3,000
	TOTAL GENERAL EXPENSES	250	250	0	1,750	1,750	0	3,000
PROFESSIONAL EXPENSES								
81100	MANAGEMENT FEES	4,162	4,162	0	29,131	29,134	3	49,940
81200	LEGAL GENERAL	0	459	459	9,141	3,213	(5,928)	5,503
81400	ACCOUNTING/AUDIT	0	833	833	3,518	5,831	2,313	10,000
81501	ENGINEERING	0	667	667	0	4,669	4,669	8,000
74275	PEST CONTROL	0	708	708	0	4,956	4,956	8,500
	TOTAL PROFESSIONAL EXPENSE	4,162	6,829	2,667	41,790	47,803	6,013	81,943
INSURANCE								
77519	INSURANCE CLAIM EXPENSE	0	417	417	0	2,919	2,919	5,000
77516	INSURANCE	14,429	15,517	1,088	100,966	108,619	7,653	186,200
	TOTAL INSURANCE	14,429	15,934	1,505	100,966	111,538	10,572	191,200
MAINTENANCE EXPENSES								
75600	MAINTENANCE PAYROLL	17,615	20,474	2,859	104,173	143,318	39,145	245,691
75226	UNIFORMS	0	42	42	0	294	294	500
71065	DECK MAINTENANCE	42	417	375	1,026	2,919	1,893	5,000
71200	MISC BUILDING MAINT	875	333	(542)	8,002	2,331	(5,671)	4,000
71431	SIDING MAINTENANCE	0	42	42	466	294	(172)	500
71436	GUTTER REPAIR AND MAINTENA	0	42	42	0	294	294	500
71440	FOUNDATION	0	17	17	0	119	119	200
71450	ROOF REPAIR	613	167	(446)	1,395	1,169	(226)	2,000

C/O FirstService Residential
123 SAMPLE WAY
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ACCT #	DESCRIPTION	CURRENT MO. ACTUAL	CURRENT MO. BUDGET	MONTH DIFFERENCE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE DIFFERENCE	ANNUAL BUDGET
71475	CHIMNEY REPAIRS	0	83	83	0	581	581	1,000
71625	GENERATOR REPAIRS	0	42	42	250	294	44	500
72050	MAINT SUPPLIES	(369)	333	702	4,892	2,331	(2,561)	4,000
72340	RETAINING WALL	0	125	125	0	875	875	1,500
74226	TREE MAINTENANCE	0	83	83	12,102	581	(11,521)	1,000
74528	ROADS & PARKING LOTS	0	17	17	125	119	(6)	200
74539	WALKWAYS	0	83	83	735	581	(154)	1,000
74854	VEHICLE MAINTENANCE	416	167	(249)	2,765	1,169	(1,596)	2,000
74855	VEHICLE GASOLINE	865	500	(365)	4,573	3,500	(1,073)	6,000
74856	BACKHOE REPAIRS	0	83	83	3,775	581	(3,194)	1,000
74857	KUBOTA REPAIRS	0	83	83	686	581	(105)	1,000
74100	LANDSCAPING MAINTENANCE	0	83	83	0	581	581	1,000
74106	MOWING	7,276	2,188	(5,088)	50,930	15,316	(35,614)	26,250
	TOTAL MAINTENANCE	27,332	25,404	(1,928)	195,893	177,828	(18,065)	304,841
	SPORTS COMPLEX							
75711	PAYROLL - LIFE GUARDS	13,509	1,667	(11,842)	39,225	11,669	(27,556)	20,000
75090	CLUBHOUSE GAS	1,513	2,500	987	42,869	17,500	(25,369)	30,000
75266	INDOOR TENNIS COURTS	0	10	10	0	70	70	125
75267	OUTDOOR TENNIS COURTS	0	10	10	0	70	70	125
75070	CLUBHOUSE ELECTRIC	513	708	195	4,875	4,956	81	8,500
75292	CUSTODIAL & SUPPLIES	498	83	(415)	1,540	581	(959)	1,000
75168	CLUBHOUSE CLEANING SUPPLIE	0	125	125	0	875	875	1,500
75293	OTHER SUPPLIES	0	21	21	290	147	(143)	250
75294	MECHANICAL MAINTENANCE	201	417	216	1,336	2,919	1,583	5,000
75328	POOL/SPA CO. TESTING	800	417	(383)	4,077	2,919	(1,158)	5,000
75441	POOL CHEMICALS	274	167	(107)	1,766	1,169	(597)	2,000
75444	GATE CARDS	0	83	83	0	581	581	1,000
75535	WATER COOLER	25	21	(4)	113	147	34	250
	TOTAL SPORTS COMPLEX	17,334	6,229	(11,105)	96,092	43,603	(52,489)	74,750
	MUNICIPAL SERVICES							
76200	ELECTRIC	440	2,083	1,643	11,209	14,581	3,372	25,000
74374	ELECTRICAL REPAIRS COMMON	0	42	42	360	294	(66)	500
76413	WELL TESTING FEES	409	583	174	2,912	4,081	1,170	7,000
76415	WATER SYSTEM CHEMICALS	0	333	333	11,189	2,331	(8,858)	4,000
76416	WATER SYSTEM REPAIRS	5,301	417	(4,884)	13,452	2,919	(10,533)	5,000
76498	ELECTRIC-WATER PUMP	627	833	206	4,964	5,831	867	10,000
76504	ELECTRIC-SEWER PUMP	101	167	66	536	1,169	633	2,000
72334	SEWAGE TREATMENT	2,804	1,750	(1,054)	18,584	12,250	(6,334)	21,000
74406	TRASH CHUTE/COMPACTOR MAIN	2,329	1,250	(1,079)	16,619	8,750	(7,869)	15,000
74407	COMPACTOR REPAIRS	0	83	83	0	581	581	1,000
74410	BULK TRASH	1,250	1,250	0	16,377	8,750	(7,627)	15,000
74316	SNOW SHOVELING	0	417	417	0	2,919	2,919	5,000
74321	SNOW PLOWING	0	4,833	4,833	4,000	33,831	29,831	58,000
74328	ROAD SNOW SUPPLIES-ANTI SK	0	2,500	2,500	26,917	17,500	(9,417)	30,000
	TOTAL MUNICIPAL SERVICES	13,261	16,541	3,280	127,119	115,787	(11,332)	198,500
	SECURITY EXPENSES							
73302	SECURITY SYSTEM MAINT/REPA	0	42	42	339	294	(45)	500
74605	SECURITY SERVICES	5,740	11,271	5,531	78,842	78,897	55	135,250
74607	SECURITY VEHICLE	0	83	83	154	581	427	1,000
74610	SECURITY GATE MAINT	0	167	167	578	1,169	591	2,000
78380	ALARM SYSTEM	0	42	42	278	294	16	500
	TOTAL SECURITY	5,740	11,605	5,865	80,190	81,235	1,045	139,250
	RESERVE FUNDING							
88001	RESERVES INTEREST	491	0	(491)	1,356	0	(1,356)	0
88001	RESERVES RESERVE FUNDING	32,625	32,625	0	228,375	228,375	0	391,500
	TOTAL RESERVE FUNDING	33,116	32,625	(491)	229,731	228,375	(1,356)	391,500

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SAMPLE ASSOCIATION
PROFIT & LOSS VARIANCE
07/31/20XX

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ACCT #	DESCRIPTION	CURRENT MO. ACTUAL	CURRENT MO. BUDGET	MONTH DIFFERENCE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE DIFFERENCE	ANNUAL BUDGET
	TOTAL OPERATING EXPENSE	<u>148,081</u>	<u>138,629</u>	<u>(9,452)</u>	<u>1,023,126</u>	<u>970,403</u>	<u>(52,723)</u>	<u>1,663,499</u>
	NET SURPLUS/(DEFICIT)	<u>(5,876)</u>	<u>163</u>	<u>(6,039)</u>	<u>48,187</u>	<u>1,141</u>	<u>47,046</u>	<u>2,000</u>

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123 SAMPLE WAY
SAMPLE TOWN SS 11111

ACCT #	DESCRIPTION	CURRENT MO. ACTUAL	CURRENT MO. BUDGET	MONTH DIFFERENCE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE DIFFERENCE	ANNUAL BUDGET
RESERVE FUND INCOME STATEMENT								
RESERVE INCOME								
91120	RESERVE INCOME	32,625	32,625	0	228,375	228,375	0	391,500
91130	RESERVE INTEREST INCOME	491	0	491	1,356	0	1,356	0
	TOTAL RESERVE INCOME	33,116	32,625	491	229,731	228,375	1,356	391,500
RESERVE EXPENSE								
95009	WATER LINE REPAIRS	0	2,500	2,500	11,531	17,500	5,970	30,000
95113	STORM WATER MANAGEMENT	0	1,714	1,714	0	11,998	11,998	20,570
95114	ROADS & PARKING	0	1,250	1,250	0	8,750	8,750	15,000
95119	ROAD SIGNAGE	0	0	0	819	0	(819)	0
95123	WATER-PUMPS/TANKS	0	83	83	33,703	581	(33,122)	1,000
95124	SEWER-PUMPS/TANKS	0	42	42	0	294	294	500
95127	SECURITY-CAMERAS	0	417	417	0	2,919	2,919	5,000
95128	GATE REPLACEMENT	0	9,803	9,803	0	68,621	68,621	117,632
95129	POOL MECHANICALS	0	3,249	3,249	0	22,743	22,743	38,987
95133	WATER-MECHANICALS	0	83	83	0	581	581	1,000
95135	SEPTIC-REP/PUMP TRUCK	0	83	83	0	581	581	1,000
95136	SEPTIC-BEDS/LINES	0	167	167	0	1,169	1,169	2,000
95139	INDOOR COURT - ROOF	0	1,250	1,250	0	8,750	8,750	15,000
95143	WATER SYS GENERATORS	0	0	0	19,595	0	(19,595)	0
95148	CMTY ROOM/OFF-ROOF	0	1,964	1,964	0	13,748	13,748	23,562
95151	FRONT DECK	0	1,500	1,500	0	10,500	10,500	18,000
95152	HARDIE BOARD SIDING/PAINT	0	11,008	11,008	2,100	77,056	74,956	132,093
95153	GUTTERS, DOWNSPOUTS	0	1,667	1,667	21,568	11,669	(9,899)	20,000
95155	ROOFING	0	56,627	56,627	9,066	396,389	387,323	679,525
95157	CHIMNEY CHASES	0	833	833	5,400	5,831	431	10,000
95159	WATER-GENERATORS	0	1,649	1,649	0	11,543	11,543	19,790
95171	PARKING LOT LINES	0	833	833	0	5,831	5,831	10,000
95176	LIGHT FIXTURES	0	583	583	0	4,081	4,081	7,000
95178	SEWER LINES	0	167	167	0	1,169	1,169	2,000
95186	TRASH COMPACTOR/SCREENER	0	1,997	1,997	28,966	13,979	(14,987)	23,961
95187	ER DECK REPAIRS	0	0	0	363	0	(363)	0
95191	STAIR PROJECT	0	3,983	3,983	6,516	27,881	21,365	47,800
95920	UNANTICIPATED	5	229	224	25	1,603	1,578	2,750
96125	ENTRANCE WAY	0	833	833	0	5,831	5,831	10,000
96127	DECK-PAINTING	0	0	0	8,609	0	(8,609)	0
	TOTAL RESERVE EXPENSES	5	104,514	104,509	148,260	731,598	583,338	1,254,170
	NET RESERVE SURPLUS/(DEFIC	33,111	(71,889)	105,000	81,471	(503,223)	584,694	(862,670)

**SAMPLE ASSOCIATION
ACTUAL & PROJECTED ACTUAL
07/31/20XX**

C/O FirstService Residential
123 SAMPLE WAY
SAMPLE TOWN SS 11111

ACCT NUMBER	ACCOUNT DESCRIPTION	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Budget	September Budget	October Budget	November Budget	December Budget	TOTAL PROJECTED
OPERATING INCOME														
60200	ASSOCIATION FEES	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	1,509,156
61214	DISCOUNT	(367)	(447)	(407)	(407)	(407)	(407)	(407)	(367)	(367)	(367)	(367)	(363)	(4,680)
61605	RENTAL REGISTRATION	13,750	15,350	21,845	8,280	7,150	9,385	10,720	7,167	7,167	7,167	7,167	7,163	122,311
62200	STORAGE INCOME	735	735	735	700	700	700	700	770	770	770	770	770	8,855
64000	LATE FEE INCOME	1,080	420	680	720	600	800	640	417	417	417	417	413	7,021
64075	CCS COLLECTIONS	0	0	0	0	0	0	0	8	8	8	8	12	44
64200	FINES / VIOLATIONS	0	0	0	0	0	1,200	800	167	167	167	167	163	2,831
64300	NSF CHARGES	39	0	0	0	0	40	40	0	0	0	0	0	119
65000	OTHER INCOME	1,357	(35)	100	320	0	0	0	0	0	0	0	0	1,742
65052	GATE CARD PURCHASE	0	0	0	0	0	0	0	17	17	17	17	16	84
65100	MAINTENANCE & REPAIR IN	0	0	0	0	0	0	0	83	83	83	83	87	419
65300	CLUBHOUSE INCOME	0	0	0	0	0	0	0	17	17	17	17	13	81
68000	INTEREST INCOME	6	7	6	4	4	3	8	83	83	83	83	87	456
68010	RESERVE INTEREST	100	77	127	112	191	258	491	167	167	167	167	163	2,187
69000	CAPITAL CONTRIBUTION	9,900	15,290	13,600	16,774	12,534	20,594	3,450	4,500	4,500	4,500	4,500	4,500	114,642
TOTAL OPERATING INCOME		152,362	157,160	162,449	152,266	146,535	158,336	142,205	138,792	138,792	138,792	138,792	138,787	1,765,269
OPERATING EXPENSES														
ADMINISTRATIVE EXPENSE														
75808	ADMINISTRATIVE SALARIE	18,390	17,450	14,858	16,346	16,286	14,727	27,914	21,899	21,899	21,899	21,899	21,901	235,467
78101	OFFICE EXPENSE	1,149	0	1,045	1,120	1,529	211	2,059	417	417	417	417	413	9,194
78111	COPIER EXPENSE	0	0	675	0	0	0	0	42	42	42	42	38	881
78150	POSTAGE & SHIPPING	358	103	201	348	970	16	94	125	125	125	125	125	2,715
78170	PRINTING & REPRODUCTION	1,329	2,254	3,257	0	758	(758)	1,603	375	375	375	375	375	10,319
78171	MINUTE TAKER	0	0	0	0	0	0	0	21	21	21	21	19	103
78301	TELEPHONE/OFFICE	543	543	543	620	611	611	620	167	167	167	167	163	4,923
78551	CABLE/INTERNET	200	100	100	100	0	125	125	25	25	25	25	25	875
78400	BANK FEES	0	0	0	35	0	0	0	42	42	42	42	38	241
79160	NEWSLETTERS AND WEB SIT	0	0	0	0	0	0	0	42	42	42	42	38	206
79200	MEETING EXPENSE	85	0	0	131	42	126	42	42	42	42	42	38	633
79211	QTRLY MEETINGS-FOOD	0	0	0	0	0	0	0	15	15	15	15	10	70
TOTAL ADMINISTRATIVE EX		22,054	20,451	20,680	18,699	20,196	15,058	32,458	23,212	23,212	23,212	23,212	23,183	265,626
GENERAL EXPENSES														
70500	BAD DEBT	250	250	250	250	250	250	250	250	250	250	250	250	3,000
TOTAL GENERAL EXPENSES		250	250	250	250	250	250	250	250	250	250	250	250	3,000
PROFESSIONAL EXPENSES														
81100	MANAGEMENT FEES	4,162	4,162	4,162	4,162	4,162	4,162	4,162	4,162	4,162	4,162	4,162	4,158	49,937
81200	LEGAL GENERAL	0	0	0	0	5,711	3,430	0	459	459	459	459	454	11,431
81300	LEGAL COLLECTIONS	0	599	(599)	0	0	0	0	0	0	0	0	0	0
81400	ACCOUNTING/AUDIT	0	3,518	0	0	0	0	0	833	833	833	833	837	7,687
81501	ENGINEERING	0	0	0	0	0	0	0	667	667	667	667	663	3,331
74275	PEST CONTROL	0	0	0	0	0	0	0	708	708	708	708	712	3,544
TOTAL PROFESSIONAL EXPE		4,162	8,279	3,562	4,162	9,872	7,592	4,162	6,829	6,829	6,829	6,829	6,824	75,930
INSURANCE														
77519	INSURANCE CLAIM EXPENSE	0	0	0	0	0	0	0	417	417	417	417	413	2,081
77516	INSURANCE	14,438	14,384	14,429	14,429	14,429	14,429	14,429	15,517	15,517	15,517	15,517	15,513	178,547
TOTAL INSURANCE		14,438	14,384	14,429	14,429	14,429	14,429	14,429	15,934	15,934	15,934	15,934	15,926	180,628
MAINTENANCE EXPENSES														
75600	MAINTENANCE PAYROLL	19,510	15,986	18,197	10,165	13,407	9,292	17,615	20,474	20,474	20,474	20,474	20,477	206,546
75226	UNIFORMS	0	0	0	0	0	0	0	42	42	42	42	38	206
71065	DECK MAINTENANCE	0	0	0	0	985	0	42	417	417	417	417	413	3,107
71200	MISC BUILDING MAINT	0	8,909	0	218	0	0	875	333	333	333	333	337	9,671
71431	SIDING MAINTENANCE	0	0	466	0	0	0	0	42	42	42	42	38	672
71436	GUTTER REPAIR AND MAINT	0	0	0	0	0	0	0	42	42	42	42	38	206
71440	FOUNDATION	0	0	0	0	0	0	0	17	17	17	17	13	81
71450	ROOF REPAIR	0	782	0	0	0	0	613	167	167	167	167	163	2,226
71475	CHIMNEY REPAIRS	0	0	0	0	0	0	0	83	83	83	83	87	419
71625	GENERATOR REPAIRS	0	0	0	250	0	0	0	42	42	42	42	38	456
72050	MAINT SUPPLIES	2,560	390	79	704	260	1,269	(369)	333	333	333	333	337	6,561
72340	RETAINING WALL	0	0	0	0	0	0	0	125	125	125	125	125	625
74226	TREE MAINTENANCE	12,102	0	0	0	0	0	0	83	83	83	83	87	12,521
74528	ROADS & PARKING LOTS	125	0	0	0	0	0	0	17	17	17	17	13	206
74539	WALKWAYS	735	0	0	0	0	0	0	83	83	83	83	87	1,154
74854	VEHICLE MAINTENANCE	1,159	130	0	1,060	0	0	416	167	167	167	167	163	3,596
74855	VEHICLE GASOLINE	1,811	(4)	0	1,645	(64)	319	865	500	500	500	500	500	7,073
74856	BACKHOE REPAIRS	0	0	2,517	1,258	0	0	0	83	83	83	83	87	4,194
74857	KUBOTA REPAIRS	0	0	0	686	0	0	0	83	83	83	83	87	1,105
74100	LANDSCAPING MAINTENANCE	0	0	0	0	0	0	0	83	83	83	83	87	419
74106	MOWING	7,276	7,276	7,276	0	14,551	7,276	7,276	2,188	2,188	2,188	2,188	2,182	61,864
TOTAL MAINTENANCE		45,277	31,469	28,534	15,985	29,139	18,156	27,332	25,404	25,404	25,404	25,404	25,397	322,906
SPORTS COMPLEX														
75711	PAYROLL - LIFEGUARDS	2,411	5,366	1,583	6,110	3,462	6,785	13,509	1,667	1,667	1,667	1,667	1,663	47,556
75090	CLUBHOUSE GAS	7,000	12,893	10,267	6,216	(155)	5,135	1,513	2,500	2,500	2,500	2,500	2,500	55,369
75266	INDOOR TENNIS COURTS	0	0	0	0	0	0	0	10	10	10	10	15	55
75267	OUTDOOR TENNIS COURTS	0	0	0	0	0	0	0	10	10	10	10	15	55

09/09/20XX

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**SAMPLE ASSOCIATION
ACTUAL & PROJECTED ACTUAL
07/31/20XX**

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C/O FirstService Residential
123 SAMPLE WAY
SAMPLE TOWN SS 11111

ACCT NUMBER	ACCOUNT DESCRIPTION	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Budget	September Budget	October Budget	November Budget	December Budget	TOTAL PROJECTED
75070	CLUBHOUSE ELECTRIC	855	832	753	495	770	657	513	708	708	708	708	712	8,419
75292	CUSTODIAL & SUPPLIES	76	512	60	351	0	43	498	83	83	83	83	87	1,959
75168	CLUBHOUSE CLEANING SUPP	0	0	0	0	0	0	0	125	125	125	125	125	625
75293	OTHER SUPPLIES	0	0	0	269	21	0	0	21	21	21	21	19	393
75294	MECHANICAL MAINTENANCE	1,135	0	0	0	0	0	201	417	417	417	417	413	3,417
75328	POOL/SPA CO. TESTING	558	492	597	465	459	706	800	417	417	417	417	413	6,158
75441	POOL CHEMICALS	20	327	455	416	0	274	274	167	167	167	167	163	2,597
75444	GATE CARDS	0	0	0	0	0	0	0	83	83	83	83	87	419
75535	WATER COOLER	11	11	23	12	18	13	25	21	21	21	21	19	216
	TOTAL SPORTS COMPLEX	12,066	20,433	13,737	14,335	4,574	13,613	17,334	6,229	6,229	6,229	6,229	6,231	127,239
	MUNICIPAL SERVICES													
76200	ELECTRIC	3,444	1,519	1,489	2,122	659	1,538	440	2,083	2,083	2,083	2,083	2,087	21,628
74374	ELECTRICAL REPAIRS COMM	60	130	0	0	0	170	0	42	42	42	42	38	566
76413	WELL TESTING FEES	375	0	447	649	462	569	409	583	583	583	583	587	5,831
76415	WATER SYSTEM CHEMICALS	1,860	0	0	279	7,613	1,439	0	333	333	333	333	337	12,858
76416	WATER SYSTEM REPAIRS	127	0	2,000	460	0	5,565	5,301	417	417	417	417	413	15,533
76498	ELECTRIC-WATER PUMP	795	819	818	515	755	634	627	833	833	833	833	837	9,133
76504	ELECTRIC-SEWER PUMP	85	85	85	3	91	85	101	167	167	167	167	163	1,367
72334	SEWAGE TREATMENT	1,762	2,804	2,804	2,804	2,804	2,804	2,804	1,750	1,750	1,750	1,750	1,750	27,334
74406	TRASH CHUTE/COMPACTOR M	1,849	1,637	5,623	1,772	2,159	1,250	2,329	1,250	1,250	1,250	1,250	1,250	22,869
74407	COMPACTOR REPAIRS	0	0	0	0	0	0	0	83	83	83	83	87	419
74410	BULK TRASH	5,292	2,906	1,127	3,660	831	1,311	1,250	1,250	1,250	1,250	1,250	1,250	22,627
74316	SNOW SHOVELING	0	0	0	0	0	0	0	417	417	417	417	413	2,081
74321	SNOW PLOWING	0	1,575	2,425	0	0	0	0	4,833	4,833	4,833	4,833	4,837	28,169
74328	ROAD SNOW SUPPLIES-ANTI	11,278	9,007	6,632	0	0	0	0	2,500	2,500	2,500	2,500	2,500	39,417
	TOTAL MUNICIPAL SERVICE	26,928	20,482	23,449	12,263	15,372	15,364	13,261	16,541	16,541	16,541	16,541	16,549	209,832
	SECURITY EXPENSES													
73302	SECURITY SYSTEM MAINT/R	0	0	0	0	0	339	0	42	42	42	42	38	545
74605	SECURITY SERVICES	15,818	11,006	11,841	9,394	9,446	15,597	5,740	11,271	11,271	11,271	11,271	11,269	135,195
74607	SECURITY VEHICLE	0	0	0	148	0	5	0	83	83	83	83	87	573
74610	SECURITY GATE MAINT	42	0	535	0	0	0	0	167	167	167	167	163	1,409
78380	ALARM SYSTEM	134	0	0	0	0	143	0	42	42	42	42	38	484
	TOTAL SECURITY	15,995	11,006	12,376	9,542	9,446	16,085	5,740	11,605	11,605	11,605	11,605	11,595	138,205
	RESERVE FUNDING													
88001	RESERVES INTEREST	100	77	127	112	191	258	491	0	0	0	0	0	1,356
88001	RESERVES RESERVE FUNDIN	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	391,500
	TOTAL RESERVE FUNDING	32,725	32,702	32,752	32,737	32,816	32,883	33,116	32,625	32,625	32,625	32,625	32,625	392,856
	TOTAL OPERATING EXPENSE	173,895	159,455	149,769	122,402	136,096	133,428	148,081	138,629	138,629	138,629	138,629	138,580	1,716,222
	NET SURPLUS/(DEFICIT)	(21,533)	(2,295)	12,680	29,864	10,440	24,907	(5,876)	163	163	163	163	207	49,046

SAMPLE ASSOCIATION
ACTUAL & PROJECTED ACTUAL
07/31/20XX

C/O FirstService Residential
 123 SAMPLE WAY
 SAMPLE TOWN SS 11111

ACCT NUMBER	ACCOUNT DESCRIPTION	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Budget	September Budget	October Budget	November Budget	December Budget	TOTAL PROJECTED
RESERVE FUND INCOME STATEMENT														
RESERVE INCOME														
91120	RESERVE INCOME	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	32,625	391,500
91130	RESERVE INTEREST INCOME	100	77	127	112	191	258	491	0	0	0	0	0	1,356
	TOTAL RESERVE INCOME	32,725	32,702	32,752	32,737	32,816	32,883	33,116	32,625	32,625	32,625	32,625	32,625	392,856
RESERVE EXPENSE														
95009	WATER LINE REPAIRS	0	0	0	0	0	11,531	0	2,500	2,500	2,500	2,500	2,500	24,031
95113	STORM WATER MANAGEMENT	0	0	0	0	0	0	0	1,714	1,714	1,714	1,714	1,716	8,572
95114	ROADS & PARKING	0	0	0	0	0	0	0	1,250	1,250	1,250	1,250	1,250	6,250
95119	ROAD SIGNAGE	0	791	28	0	0	0	0	0	0	0	0	0	819
95123	WATER-PUMPS/TANKS	0	0	0	0	33,703	0	0	83	83	83	83	87	34,122
95124	SEWER-PUMPS/TANKS	0	0	0	0	0	0	0	42	42	42	42	38	206
95127	SECURITY-CAMERAS	0	0	0	0	0	0	0	417	417	417	417	413	2,081
95128	GATE REPLACEMENT	0	0	0	0	0	0	0	9,803	9,803	9,803	9,803	9,799	49,011
95129	POOL MECHANICALS	0	0	0	0	0	0	0	3,249	3,249	3,249	3,249	3,248	16,244
95133	WATER-MECHANICALS	0	0	0	0	0	0	0	83	83	83	83	87	419
95135	SEPTIC-REP/PUMP TRUCK	0	0	0	0	0	0	0	83	83	83	83	87	419
95136	SEPTIC-BEDS/LINES	0	0	0	0	0	0	0	167	167	167	167	163	831
95139	INDOOR COURT - ROOF	0	0	0	0	0	0	0	1,250	1,250	1,250	1,250	1,250	6,250
95143	WATER SYS GENERATORS	0	0	19,595	0	0	0	0	0	0	0	0	0	19,595
95148	CMTY ROOM/OFF-ROOF	0	0	0	0	0	0	0	1,964	1,964	1,964	1,964	1,958	9,814
95151	FRONT DECK	0	0	0	0	0	0	0	1,500	1,500	1,500	1,500	1,500	7,500
95152	HARDIE BOARD SIDING/PAI	0	0	0	0	2,100	0	0	11,008	11,008	11,008	11,008	11,005	57,137
95153	GUTTERS, DOWNSPOUTS	0	21,568	0	0	0	0	0	1,667	1,667	1,667	1,667	1,663	29,899
95155	ROOFING	0	0	5,298	0	3,768	0	0	56,627	56,627	56,627	56,627	56,628	292,202
95157	CHIMNEY CHASES	0	0	0	0	5,400	0	0	833	833	833	833	837	9,569
95159	WATER-GENERATORS	0	0	0	0	0	0	0	1,649	1,649	1,649	1,649	1,651	8,247
95171	PARKING LOT LINES	0	0	0	0	0	0	0	833	833	833	833	837	4,169
95176	LIGHT FIXTURES	0	0	0	0	0	0	0	583	583	583	583	587	2,919
95178	SEWER LINES	0	0	0	0	0	0	0	167	167	167	167	163	831
95186	TRASH COMPACTOR/SCREENE	0	0	4,200	650	24,116	0	0	1,997	1,997	1,997	1,997	1,994	38,948
95187	ER DECK REPAIRS	160	0	0	203	0	0	0	0	0	0	0	0	363
95191	STAIR PROJECT	516	0	6,000	0	0	0	0	3,983	3,983	3,983	3,983	3,987	26,435
95920	UNANTICIPATED	0	0	0	10	5	5	5	229	229	229	229	231	1,172
96125	ENTRANCE WAY	0	0	0	0	0	0	0	833	833	833	833	837	4,169
96127	DECK-PAINTING	0	0	0	0	6,589	2,020	0	0	0	0	0	0	8,609
	TOTAL RESERVE EXPENSES	677	22,359	35,121	863	75,680	13,556	5	104,514	104,514	104,514	104,514	104,516	670,832
	NET RESERVE SURPLUS/(DE	32,049	10,343	(2,368)	31,874	(42,864)	19,327	33,111	(71,889)	(71,889)	(71,889)	(71,889)	(71,891)	(277,976)

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C/O FirstService Residential
 123 SAMPLE WAY
 SAMPLE TOWN SS 11111

DESCRIPTION	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022
OPERATING INCOME													
60200 ASSOCIATION FEES	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763	125,763
60325 COMMUNITY ROOM RENTALS	0	0	75	0	0	455	0	0	0	0	0	0	0
61050 COMMERCIAL RENTS	120	0	0	0	0	(455)	0	0	0	0	0	0	0
61214 DISCOUNT	(635)	(635)	(635)	(635)	(733)	(733)	(367)	(447)	(407)	(407)	(407)	(407)	(407)
61605 RENTAL REGISTRATION	25,825	20,520	8,075	7,900	9,525	17,810	13,750	15,350	21,845	8,280	7,150	9,385	10,720
61608 HOUSE CHECK SERVICE	0	0	0	0	0	(20)	0	0	0	0	0	0	0
62200 STORAGE INCOME	680	645	645	645	645	1,365	735	735	735	700	700	700	700
64000 LATE FEE INCOME	700	580	720	800	560	780	1,080	420	680	720	600	800	640
64200 FINES / VIOLATIONS	250	650	800	0	500	0	0	0	0	0	0	1,200	800
64300 NSF CHARGES	0	0	0	77	39	39	39	0	0	0	0	40	40
65000 OTHER INCOME	220	60	30	100	0	460	1,357	(35)	100	320	0	0	0
68000 INTEREST INCOME	80	32	34	16	6	3	6	7	6	4	4	3	8
68010 RESERVE INTEREST	327	214	162	149	143	122	100	77	127	112	191	258	491
69000 CAPITAL CONTRIBUTION	2,000	4,000	2,000	5,000	3,000	4,000	9,900	15,290	13,600	16,774	12,534	20,594	3,450
TOTAL OPERATING INCOME	155,330	151,828	137,669	139,815	139,447	149,589	152,362	157,160	162,449	152,266	146,535	158,336	142,205
OPERATING EXPENSES													
ADMINISTRATIVE EXPENSE													
75608 ADMINISTRATIVE SALARIE	23,168	15,794	15,772	16,399	15,971	25,286	18,390	17,450	14,858	16,346	16,286	14,727	27,914
76101 OFFICE EXPENSE	1,867	911	1,158	1,361	(119)	2,867	1,149	0	1,045	1,120	1,529	211	2,059
76111 COPIER EXPENSE	0	0	0	0	0	0	0	0	675	0	0	0	0
76120 COMPUTER EXPENSE	0	64	248	1,185	0	0	0	0	0	0	0	0	0
76150 POSTAGE & SHIPPING	77	127	59	727	106	260	358	103	201	348	970	16	94
76170 PRINTING & REPRODUCTION	147	1,939	0	0	869	0	1,329	2,254	3,257	0	758	(758)	1,603
76301 TELEPHONE/OFFICE	550	550	1,039	547	(462)	1,095	543	543	620	611	611	620	620
76551 CABLE/INTERNET	100	248	100	100	(40)	0	200	100	100	100	0	125	125
76400 BANK FEES	20	20	20	30	10	35	0	0	0	35	0	0	0
79200 MEETING EXPENSE	42	0	84	0	381	3,015	85	0	0	131	42	126	42
79700 MISCELLANEOUS EXPENSE	56	824	310	2,849	(410)	183	0	0	0	0	0	0	0
TOTAL ADMINISTRATIVE EX	26,028	20,477	18,790	23,198	16,287	32,740	22,054	20,451	20,680	18,699	20,196	15,058	32,458
GENERAL EXPENSES													
70500 BAD DEBT	833	833	833	833	833	833	250	250	250	250	250	250	250
TOTAL GENERAL EXPENSES	833	833	833	833	833	833	250	250	250	250	250	250	250
PROFESSIONAL EXPENSES													
81100 MANAGEMENT FEES	4,080	4,093	4,080	4,080	4,080	4,080	4,162	4,162	4,162	4,162	4,162	4,162	4,162
81200 LEGAL GENERAL	0	0	2,420	0	0	0	0	0	0	0	5,711	3,430	0
81300 LEGAL COLLECTIONS	0	0	0	0	0	0	0	599	(599)	0	0	0	0
81400 ACCOUNTING/AUDIT	0	0	0	0	0	3,450	0	3,518	0	0	0	0	0
74275 PEST CONTROL	0	2,844	2,844	0	0	159	0	0	0	0	0	0	0
TOTAL PROFESSIONAL EXPE	4,080	6,937	9,344	4,080	4,080	7,689	4,162	8,279	3,562	4,162	9,872	7,592	4,162
INSURANCE													
77510 INSURANCE DEDUCTIBLE	0	0	0	0	5,000	0	0	0	0	0	0	0	0
77519 INSURANCE CLAIM EXPENSE	0	0	0	(11,490)	11,490	0	0	0	0	0	0	0	0
77516 INSURANCE	14,368	14,368	14,368	14,368	14,368	14,368	14,438	14,384	14,429	14,429	14,429	14,429	14,429
TOTAL INSURANCE	14,368	14,368	14,368	2,878	30,858	14,368	14,438	14,384	14,429	14,429	14,429	14,429	14,429
MAINTENANCE EXPENSES													
75600 MAINTENANCE PAYROLL	17,001	17,983	12,920	13,827	15,415	19,637	19,510	15,986	18,197	10,165	13,407	9,292	17,615
75226 UNIFORMS	790	0	0	0	0	0	0	0	0	0	0	0	0
71065 DECK MAINTENANCE	1,091	(2,977)	70	0	0	0	0	0	0	985	0	0	42
71200 MISC BUILDING MAINT	1,316	(25)	4,257	1,483	0	16	0	6,909	0	218	0	0	875
71431 SIDING MAINTENANCE	834	9,269	932	0	0	(9,269)	0	0	466	0	0	0	0
71436 GUTTER REPAIR AND MAINT	0	0	556	0	0	0	0	0	0	0	0	0	0
71450 ROOF REPAIR	0	0	2,780	0	1,538	25	0	782	0	0	0	0	613
71625 GENERATOR REPAIRS	0	0	0	0	0	0	0	0	0	250	0	0	0
72050 MAINT SUPPLIES	197	1,586	802	636	984	1,373	2,560	390	79	704	260	1,269	(369)
72195 GENERATOR FUEL	1,672	0	0	0	0	0	0	0	0	0	0	0	0
74226 TREE MAINTENANCE	0	0	0	0	0	0	0	0	0	0	0	0	0
74528 ROADS & PARKING LOTS	0	0	0	0	0	0	12,102	0	0	0	0	0	0
74539 WALKWAYS	0	0	0	0	0	0	125	0	0	0	0	0	0
74854 VEHICLE MAINTENANCE	0	19	227	5,504	61	522	1,159	130	0	1,060	0	0	416
74855 VEHICLE GASOLINE	232	600	979	424	(302)	443	1,811	(4)	0	1,845	(64)	319	865
74856 BACKHOE REPAIRS	0	0	866	0	3,393	6,975	0	0	2,517	1,258	0	0	0
74857 KUBOTA REPAIRS	0	0	0	0	0	3,220	0	0	0	686	0	0	0
74100 LANDSCAPING MAINTENANCE	247	0	25	0	23	(5,178)	0	0	0	0	0	0	0
74108 MOWING	7,276	7,276	7,276	7,276	7,276	(21,827)	7,276	7,276	7,276	0	14,551	7,276	7,276
74151 GROUNDS MAINTENANCE-OTH	0	0	2,110	0	0	0	0	0	0	0	0	0	0
TOTAL MAINTENANCE	30,655	33,730	34,077	29,149	28,387	(4,053)	45,277	31,469	28,534	15,985	29,139	18,156	27,332
SPORTS COMPLEX													
75711 PAYROLL - LIFE GUARDS	5,802	7,008	5,197	7,829	3,034	8,525	2,411	5,366	1,583	6,110	3,462	6,785	13,509
75090 CLUBHOUSE GAS	0	0	0	136	2,238	10,103	7,000	12,893	10,287	6,216	(155)	5,135	1,513
75070 CLUBHOUSE ELECTRIC	637	929	756	1,378	193	554	855	832	753	495	770	657	513
75292 CUSTODIAL & SUPPLIES	3,429	436	520	53	(170)	335	76	512	60	351	0	43	498
75168 CLUBHOUSE CLEANING SUPP	424	0	0	0	0	0	0	0	0	0	0	0	0
75293 OTHER SUPPLIES	0	3	45	52	0	0	0	0	0	269	21	0	0
75294 MECHANICAL MAINTENANCE	2,215	385	176	0	0	941	1,135	0	0	0	0	0	201
75296 WEIGHT ROOM & SPA	0	34	6,850	244	0	(6,850)	0	0	0	0	0	0	0

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DESCRIPTION	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022
75328 POOL/SPA CO. TESTING	986	0	(168)	1,018	318	761	558	492	597	465	459	706	800
75441 POOL CHEMICALS	0	259	0	0	0	460	20	327	455	416	0	274	274
75444 GATE CARDS	0	0	834	0	0	0	0	0	0	0	0	0	0
75522 RECREATION SUPPLIES	137	0	0	31	0	0	0	0	0	0	0	0	0
75535 WATER COOLER	11	32	11	6	11	22	11	11	23	12	18	13	25
TOTAL SPORTS COMPLEX	13,641	9,086	14,222	10,747	5,623	14,851	12,066	20,433	13,737	14,335	4,574	13,613	17,334
MUNICIPAL SERVICES													
76200 ELECTRIC	1,425	1,496	1,420	1,592	1,332	1,459	3,444	1,519	1,489	2,122	659	1,538	440
74374 ELECTRICAL REPAIRS COMM	0	0	0	150	18	0	60	130	0	0	0	170	0
76413 WELL TESTING FEES	3,392	0	275	1,722	0	1,339	375	0	447	649	462	569	409
76415 WATER SYSTEM CHEMICALS	0	1,414	0	234	259	1,413	1,860	0	0	279	7,613	1,439	0
76416 WATER SYSTEM REPAIRS	10,895	2,372	(2,372)	0	6,275	(18,260)	127	0	2,000	460	0	5,565	5,301
76498 ELECTRIC-WATER PUMP	778	2,081	775	1,668	(1,241)	741	795	819	818	515	755	634	627
76504 ELECTRIC-SEWER PUMP	104	114	106	112	94	87	85	85	85	3	91	85	101
72334 SEWAGE TREATMENT	1,732	1,732	1,732	1,732	1,732	1,732	1,762	2,804	2,804	2,804	2,804	2,804	2,804
74400 TRASH REMOVAL	922	(922)	0	0	0	0	0	0	0	0	0	0	0
74406 TRASH CHUTE/COMPACTOR M	2,106	11,300	2,281	2,242	3,365	0	1,849	1,637	5,623	1,772	2,159	1,250	2,329
74407 COMPACTOR REPAIRS	0	623	0	0	(321)	0	0	0	0	0	0	0	0
74410 BULK TRASH	1,104	1,217	889	0	2,815	2,417	5,292	2,906	1,127	3,660	831	1,311	1,250
74321 SNOW PLOWING	0	0	0	0	0	29,103	0	1,575	2,425	0	0	0	0
74328 ROAD SNOW SUPPLIES-ANTI	0	0	0	38	0	2,302	11,278	9,007	6,632	0	0	0	0
TOTAL MUNICIPAL SERVICE	22,458	21,426	5,107	9,490	14,328	22,333	26,928	20,482	23,449	12,263	15,372	15,364	13,261
SECURITY EXPENSES													
73302 SECURITY SYSTEM MAINT/R	0	0	0	0	0	313	0	0	0	0	0	339	0
74605 SECURITY SERVICES	13,649	10,436	11,943	5,304	16,249	10,588	15,818	11,006	11,841	9,394	9,446	15,597	5,740
74607 SECURITY VEHICLE	0	39	0	0	(39)	0	0	0	0	148	0	5	0
74610 SECURITY GATE MAINT	1,128	0	2,372	0	(1,128)	0	42	0	535	0	0	0	0
78380 ALARM SYSTEM	0	110	882	0	(992)	0	134	0	0	0	0	143	0
TOTAL SECURITY	14,777	10,585	15,196	5,304	14,091	10,901	15,995	11,006	12,376	9,542	9,446	16,085	5,740
RESERVE FUNDING													
88001 RESERVES INTEREST	327	214	162	149	143	122	100	77	127	112	191	258	491
88001 RESERVES RESERVE FUNDIN	37,500	37,500	37,500	37,500	37,500	37,500	32,625	32,625	32,625	32,625	32,625	32,625	32,625
TOTAL RESERVE FUNDING	37,827	37,714	37,662	37,649	37,643	37,622	32,725	32,702	32,752	32,737	32,816	32,883	33,116
TOTAL OPERATING EXPENSE	161,666	155,156	149,599	123,329	152,130	137,274	173,895	159,455	149,769	122,402	136,096	133,428	148,081
NET SURPLUS/(DEFICIT)	(9,335)	(3,328)	(11,931)	16,486	(12,683)	12,315	(21,533)	(2,295)	12,680	29,864	10,440	24,907	(5,876)

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DESCRIPTION	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022
RESERVE FUND INCOME STATEMENT													
RESERVE INCOME													
91120 RESERVE INCOME	37,500	37,500	37,500	37,500	37,500	37,500	32,625	32,625	32,625	32,625	32,625	32,625	32,625
91130 RESERVE INTEREST INCOME	327	214	162	149	143	122	100	77	127	112	191	258	491
TOTAL RESERVE INCOME	37,827	37,714	37,662	37,649	37,643	37,622	32,725	32,702	32,752	32,737	32,816	32,883	33,116
RESERVE EXPENSE													
95009 WATER LINE REPAIRS	0	0	0	0	0	39,089	0	0	0	0	0	11,531	0
95114 ROADS & PARKING	0	0	0	0	22,000	0	0	0	0	0	0	0	0
95118 VEHICLES	0	0	31,246	0	0	0	0	0	0	0	0	0	0
95119 ROAD SIGNAGE	0	0	0	0	0	0	0	791	28	0	0	0	0
95123 WATER-PUMPS/TANKS	0	0	0	0	0	0	0	0	0	0	33,703	0	0
95129 POOL MECHANICALS	0	0	0	0	0	41,263	0	0	0	0	0	0	0
95143 WATER SYS GENERATORS	0	(23,360)	0	0	0	0	0	0	19,595	0	0	0	0
95152 HARDIE BOARD SIDING/PAI	0	2,837	0	0	0	0	0	0	0	0	2,100	0	0
95153 GUTTERS, DOWNSPOUTS	0	0	0	0	0	0	0	21,568	0	0	0	0	0
95155 ROOFING	0	0	0	0	0	475	0	0	5,298	0	3,788	0	0
95157 CHIMNEY CHASES	0	17,000	0	0	27,800	10,601	0	0	0	0	5,400	0	0
95159 WATER-GENERATORS	0	23,360	0	0	0	6,850	0	0	0	0	0	0	0
95186 TRASH COMPACTOR/SCREENE	0	0	0	8,039	0	0	0	0	0	0	0	0	0
95187 ER DECK REPAIRS	0	72,977	57,868	935	130,000	(261,580)	160	0	4,200	650	24,116	0	0
95191 STAIR PROJECT	0	0	0	0	0	5,200	516	0	0	203	0	0	0
95920 UNANTICIPATED	0	0	0	0	0	0	0	0	6,000	0	0	0	0
96127 DECK-PAINTING	0	0	0	0	0	0	0	0	0	10	5	5	5
TOTAL RESERVE EXPENSES	0	92,813	88,914	8,973	179,800	(158,102)	677	22,359	35,121	863	75,680	13,556	5
NET RESERVE SURPLUS/(DE	37,827	(55,100)	(51,252)	28,676	(142,157)	195,724	32,049	10,343	(2,368)	31,874	(42,864)	19,327	33,111

