

MILANO SECTION III RESIDENTS ASSN., INC.
ADOPTED BUDGET FOR THE FISCAL YEAR
JAN. 1, 2022 TO DEC. 31, 2022

MILANO SECTION III	2021	2021	2022	CHANGE	2022	2022
UNITS - 64	ADOPTED	PROJECTED	ADOPTED	FROM	QUARTERLY	Budget Notes
	BUDGET	ACTUAL	BUDGET	PRIOR YEAR	PER UNIT	
REVENUE:	\$1,137/qtr		\$1,137/qtr			Board will consider operating a \$8,448 deficit budget in 2022 and maintain the same assessment
MAINTENANCE ASSESSMENTS	250,880.00	250,880.00	250,880.00		980.00	no change for 2022
RESERVE ASSESSMENTS	40,192.00	40,192.00	40,192.00		157.00	no change to reserve funding plan
TOTAL REVENUE	\$291,072.00	\$291,072.00	\$291,072.00	\$0.00	\$1,137.00	
EXPENSES:						0.00%
- OPERATING -						percentage increase
ELECTRICITY	1,690.00	1,675.86	1,725.00	35.00	6.74	Per FPL expect an increase of 2-3% increase in 2022. Based on 2021 actual costs/projected actual.
FIRE ALARM, FIRE SPRINKLER AND BACKFLOW INSPECTION AND MAINTENANCE	9,000.00	6,513.04	8,500.00	(500.00)	33.20	As of Oct 21, Paid Cintas \$630 Annual Alarm Inspection and \$4,383.04 for repairs and batteries replacements. Estimate \$1500 additional services. For 2022, reduce budget.
FIRE ALARM MONITORING	2,520.00	2,592.00	2,730.00	210.00	10.66	In 2021, paid Cintas Qtrly Fire Alarm Monitoring \$90/qtr/bldg - ten bldgs are billed in 7 invoices with 17/18, 19/20, & 23/24 billed as one. For the 3rd Qtr - 4 billed at \$90/qtr and 3 billed \$97.20/qtr. Estimate 4th Qtr at \$97.20/bill. For 2022, \$97.20/qtr/invoice a 8% increase.
INSURANCE	34,980.00	30,356.00	36,200.00	1,220.00	141.41	In 2021 - All policies effective 12/21/20 to 12/21/21: Crime \$460, D&O \$1,005; Property \$28,456 and Genl Liability \$435. For 2022 per agent expecting 20% increase in Property \$34,147 and 10% increase for Genl Liability \$479, D&O \$1,106 and Crime \$460.
MANAGEMENT/ACCOUNTING	17,674.00	17,674.00	18,178.00	504.00	71.01	In 2021, Collier Financial \$590/mth & \$610 for Budget Prep, Cambridge \$832/mth. For 2022, Collier Financial no change and Cambridge Mgmt \$874/mo (5% increase). Per 11/9/2021 email Board does not approve a 2022 property mgmt fee increase. The funds have been included in the adopted budget, but are not to be paid to Cambridge.
MASTER ASSOCIATION FEE	178,176.00	178,176.00	178,176.00		696.00	For 2021, Milano Rec \$696/qtr per unit. For 2022, Proposed rate - no change - elect to operate a deficit budget
OFFICE/POSTAGE/ADMINISTRATION	2,700.00	3,880.40	3,200.00	500.00	12.50	In 2021 - paid Collier Financial and Cambridge Mgmt admin fees, postage For 2022 - increase budget based on past 2 years plus postal raate increase
PROFESSIONAL FEES	8,300.00	4,542.00	6,000.00	(2,300.00)	23.44	In 2021 paid Adamczyk \$2,292 legal services re tenant violations, review docs/rules/regulations for leasing/sales, collection matter etc; paid CFI \$250 for professional servcies - annual meeting attendance, review Doc with BoD members, research; Estimate \$2000 by year end additional. For 2022, reduce budget
REPAIRS & MAINTENANCE	5,000.00	6,645.00	5,000.00		19.53	In 2021, paid ABC Fire \$285 for Fire extinguisher inspection; paid Watermark \$850 for stucco repair; paid Chrisfa Service \$1260 to replace lanai screens. Estimate \$1250 dryer vent cleaning and \$2,000 add'l expenses by year end; manager says there will be pressure washing, painting of pipe stands, fire hydrant and electrical boxes, but no costs were given and may be more than \$3,000 estimated. For 2022 - no change
ROOF CLEANING PROGRAM	0.00	0.00	0.00		0.00	In 2019 - roofs were replaced. Need to discuss with Board/mgmt when new roofs will need to start a roof cleaning program
TAX RETURN PREPARATION	400.00	400.00	400.00		1.56	In 2021 Collier Financial \$400 to prepare Federal Tax Return. For 2022, no change
TAXES/LICENSES/FEES	418.00	209.25	219.00	(199.00)	0.86	In 2021, \$148 federal taxes incurred for fiscal year end 2020; paid corporate annual report filing fee w/state \$61.25.
TOTAL OPERATING	\$260,858.00	\$252,663.55	\$260,328.00	(\$530.00)	\$1,016.91	

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	BUDGET	ACTUAL	BUDGET	PRIOR YEAR	PER UNIT	
- RESERVE TRANSFERS -						
INTEREST	1,200.00	562.91	300.00	(900.00)	1.17	transfer of reserve interest
PAINT	8,300.00	8,300.00	8,300.00		32.42	see reserve schedule
ROOF	31,469.00	31,469.00	31,469.00		122.93	see reserve schedule
FIRE ALARM PANELS	423.00	423.00	423.00		1.65	see reserve schedule
FIRE ALARM ENCLOSURES/ACs	0.00	0.00	0.00		0.00	see reserve schedule - fully funded
TOTAL RESERVE TRANSFERS	\$41,392.00	\$40,754.91	\$40,492.00	(\$900.00)	\$158.17	
TOTAL EXPENSES	\$302,250.00	\$293,418.46	\$300,820.00	(\$1,430.00)	\$1,175.08	
OTHER INCOME:						
LATE FEES	0.00	132.75	0.00	0.00	0.00	conservative estimate with all other income sources
APPLICATION FEES	250.00	1,272.00	1,000.00	750.00	3.91	conservative estimate with all other income sources
INTEREST EARNED - RESERVES	1,200.00	562.91	300.00	(900.00)	1.17	interest rates dropped after COVID 19.
FINES/VIOLATIONS	0.00	0.00	0.00	0.00	0.00	conservative estimate with all other income sources
TOTAL OTHER INCOME	\$1,450.00	\$1,967.66	\$1,300.00	(\$150.00)	\$5.08	
NET INCOME/(LOSS)	(\$9,728.00)	(\$378.80)	(\$8,448.00)	\$1,280.00	(\$33.00)	
		\$92,661.29	12/31/20 cumulative gain			
		\$92,282.49	12/31/21 projected gain			
The Association will end the year with an estimated cumulative surplus of approximately \$92,282. The Board will consider operating a \$8,448 deficit budget in 2022 and maintain the same quarterly assessment.						

MILANO SECTION III RESIDENTS ASSOCIATION, INC.
ADOPTED RESERVE FUNDING FOR FISCAL YEAR JAN. 1, 2022 TO DEC. 31, 2022

UNITS - 64	PAINTING	ROOF	FIRE PANELS	Fire Enclosures/ AC Units	TOTAL
REPLACEMENT COST *	\$58,100	\$1,166,400	\$19,500	\$15,350	\$1,259,350
LIFE (YEARS)	7	30	6	6	
REMAINING LIFE (YEARS)	6	28	3	1	
12/31/21 BALANCE (estimated)	\$8,300	\$283,293	\$18,230	\$15,350	\$325,172
AMOUNT TO FUND	\$49,800	\$883,107	\$1,270	\$0	\$932,907
Year 2022 FUNDING	\$8,300	\$31,469	\$423	\$0	\$40,192
QUARTERLY FUNDING	\$2,075.00	\$7,867.25	\$105.75	\$0.00	\$10,048.00
QUARTERLY PER UNIT	\$32.42	\$122.93	\$1.65	\$0.00	\$157.00
*To be expressed in terms of today's cost, without adjustment for inflation, which is covered from interest income.					
In addition to above Association has \$6,191 of initial capital and approx \$2,984 in reserve interest.					
Two 4-plex buildings, Four 6-plex buildings, Four 8-plex buildings (10 bldgs total)					
2021 - reserve expenses as follows:					
In March 2021 paid balance due for paint contract to Marios Painting \$52,244 (\$7423.44 from unallocated and \$44,820.56 from paint)					
In March paid Hector Mario Lawn \$600 to cut away plants for painters (unallocated)					
In July paid Mario's Painting \$2940 paint door panels (14 units) (unallocated)					