

Lowe's Farm Homeowners Association, Inc.  
5751 Kroger Road, Suite 193  
Keller, TX 76248

RESOLUTION

The Board of Directors for Lowe's Farm Homeowners Association, Inc. resolves to adopt the attached year 2009 Operating Budget.

EXECUTED this 18<sup>th</sup> day of November, 2008.



Paul M. Blevins

President, Lowe's Farm AOA

**Lowes Farm Homeowners Association, Inc.  
2009 Budget**

<b>OPERATING FUND</b>		<b>2008</b>		<b>2009</b>	<b>Notes</b>
		<b>Budget</b>	<b>Projected Actuals</b>	<b>Projected Budget</b>	
<b>INCOME:</b>					
4110	Homeowner Dues	210,240	209,866	209,280	436 x \$480 each per year
4125	Prior Year Income	-	73	-	
4340	Pool Access Card Income	100	245	200	
4510	Late Fee Income	2,500	2,675	2,200	
4512	Collection Fee Income	2,500	2,343	2,000	
4520	Legal Fees Income	6,000	9,753	7,000	
4530	NSF Fees	100	25	-	
4540	Fine Income	-	402	250	
4810	Interest Income	7,500	2,355	2,500	
4900	Other Income	-	58	800	Includes resident lot mows
<b>TOTAL INCOME</b>		<b>228,940</b>	<b>227,795</b>	<b>224,230</b>	
<b>EXPENSES:</b>					
<b>Utilities</b>					
5110	Electric	12,500	11,376	11,500	
5120	Water	19,000	16,574	17,000	
5130	Telephone/Modem	1,300	1,285	1,300	
<b>Total Utilities</b>		<b>32,800</b>	<b>29,235</b>	<b>29,800</b>	
<b>Landscape Maintenance</b>					
5210	Landscape Maintenance Contract	40,000	33,695	37,700	Pendig bid review
5225	Resident Lot Mows	1,500	762	800	
5240	Landscape Maintenance/Repair	500	12	500	
5245	Landscape Improvements/Upgrades	11,200	21,511	10,000	
5260	Irrigation Repairs	2,500	4,913	3,000	
<b>Total Landscape Maintenance</b>		<b>55,700</b>	<b>60,893</b>	<b>52,000</b>	
<b>Common Area Maintenance</b>					
5510	Fence and Wall Maintenance	1,000	2,450	1,500	
5540	Lights Maintenance	1,200	1,000	1,000	
5554	Playground Maintenance/Repair	1,000	465	500	
5590	Holiday Decoration	5,000	6,950	6,950	Actual price- 3 yr contract
5599	Common Area Miscellaneous	1,000	3,432	3,000	
<b>Total Common Area Maintenance</b>		<b>9,200</b>	<b>14,297</b>	<b>12,950</b>	
<b>Pool/Amenities Center</b>					
6110	Pool Maintenance Contract	15,000	12,991	13,000	Pending bid review
6112	Pool Chemicals	4,000	3,720	4,000	
6115	Pool Supplies/Equipment	1,000	686	1,000	
6120	Pool Repairs/Maintenance	2,000	1,751	2,000	
6126	Pool Cabana Repair/Maintenance	3,000	1,690	9,000	Pending approval of pool area repairs
6128	Pool Furniture	1,000	1,000	1,000	
6130	Access Cards	500	580	600	
6135	Access System Repairs/Maintenance	1,000	1,358	1,400	
6140	Pool/Amenities Janitorial Service	3,000	4,178	4,000	
6145	Pest Control	500	324	500	
6180	Pool Signs	300	-	200	
6185	Pool Permits	200	270	270	
<b>Total Pool/Amenities Center</b>		<b>31,500</b>	<b>28,548</b>	<b>36,970</b>	
<b>General and Administrative</b>					
7110	Professional Management Fee	22,216	23,171	23,544	436 lots at \$4.50 per lot/ No increase
7120	Administrative Supplies/Expenses	9,000	7,169	7,500	
7122	Bank Service Charge - NSF	-	45	-	
7210	Annual Review/Tax Return Prep.	1,525	1,750	1,800	
7220	Collection Fees	2,500	1,777	2,500	
7230	Legal Expenses	6,000	9,603	8,000	
7310	Newsletter	2,400	684	1,000	
7320	Website Maintenance	2,000	514	500	
7400	Signs	3,000	162	1,000	
7450	Unrecovered Assessments	5,000	2,600	4,000	
7520	Meetings Expense	400	371	400	

Loves Farm Homeowners Association, Inc.  
2009 Budget

OPERATING FUND	2008		2009	Notes
	Budget	Projected Actuals	Projected Budget	
<b>Total General and Administrative</b>	<b>54,041</b>	<b>47,846</b>	<b>50,244</b>	
<b>Committees</b>				
7810 Landscape	1,200	791	1,200	
7820 Social	6,800	6,711	6,800	
7860 Safety	1,200	538	2,000	
<b>Total Committees</b>	<b>9,200</b>	<b>8,040</b>	<b>10,000</b>	
<b>Insurance and Taxes</b>				
7910 Directors and Officers Insurance	1,140	1,151	1,197	
7920 Texas Commercial Property Policy	4,117	3,330	3,463	
7930 Excess Liability/Umbrella	385	352	366	
7950 Workman's Comp Insurance	275	250	260	
7960 Property Taxes	110	-	-	
7970 Federal Taxes	325	2,850	-	
<b>Total Insurance and Taxes</b>	<b>6,352</b>	<b>7,933</b>	<b>5,286</b>	
<b>TOTAL OPERATING EXPENSES</b>	<b>198,793</b>	<b>196,792</b>	<b>197,250</b>	
<b>OPERATING FUND SURPLUS/(DEFICIT) BEFORE RES</b>	<b>30,147</b>	<b>31,003</b>	<b>26,980</b>	
<b>Reserve Fund Transfers</b>				
9110 Reserve Fund Transfer	26,400	26,400	26,400	
<b>Total Transfers to Reserves</b>	<b>26,400</b>	<b>26,400</b>	<b>26,400</b>	
<b>OPERATING FUND SURPLUS/(DEFICIT) AFTER RESEI</b>	<b>3,747</b>	<b>4,603</b>	<b>580</b>	
<b>RESERVE FUND</b>				
<b>Reserve Fund Income</b>				
9115 Transfers from Operating	26,400	-	26,400	
9305 Reserve Fund Interest Income	-	285	1,150	
<b>Total Reserve Fund Income</b>	<b>26,400</b>	<b>285</b>	<b>27,550</b>	
<b>Reserve Fund Expenses</b>				
9120 Reserve Fund Expenditures	-	-	5,616	Per reserve study
<b>Total Reserve Fund Expenses</b>	<b>-</b>	<b>-</b>	<b>5,616</b>	
<b>RESERVE FUND SURPLUS (DEFICIT)</b>	<b>26,400</b>	<b>285</b>	<b>21,934</b>	