

Malvern Club, Inc.

2013 APPROVED BUDGET

| | 2010 Actual | 2011 Actual | 2012 Budget | 2012 YTD Actual * | 2013 Budget | |
|-------------------------------------|----------------|----------------|----------------|-------------------------|----------------|---|
| Income | | | | | | |
| 1. Regular assessment | 120,360 | 120,953 | 122,850 | 102,198 | 122,850 | 234 lots at \$525 per lot |
| 2. Special assessment | | | | | | Not currently necessary |
| 3. Banking interest (all accounts) | 532 | 583 | 600 | 426 | 600 | No interest for checking accounts |
| 4. Boat fee | 105 | 90 | 105 | 135 | 135 | 9 lots at \$15 per lot |
| 5. Clubhouse fee | 3,540 | 3,980 | 3,500 | 1,880 | 3,500 | |
| 6. Interest from legal issues | | 17 | | | | |
| 7. Late fees | 255 | 480 | 300 | 348 | 450 | 15 lots at \$30 per lot |
| 8. Legal fees | | 225 | | 281 | | Recoupable funds and return of legal fees |
| 9. Insurance claim reimbursements | | | | 1,600 | | |
| 10. Packets | | | 180 | 175 | 125 | 5 lots at \$25 per lot |
| 11. Road impact fee escrow | 1,000 | | | | | 0 lots at \$1,000 per lot |
| 12. Road impact fee non-refundable | | | | 500 | | |
| 13. Bush hogging | 1,230 | 1,225 | 1,220 | 1,400 | 1,600 | 11 lots bush hogging |
| 14. Pool income | 2,505 | 2,320 | 2,500 | 2,420 | 2,500 | 125 keys at \$20 per key |
| 15. Uncollectible accounts | | | | | (5,850) | Lost revenue from assessments, late fees |
| 16. Withdraw from reserve | | | | | | |
| 17. | | | | | | |
| 18. Total Income | 129,527 | 129,873 | 131,255 | 111,362 | 125,910 | Total Income |
| 19. | | | | | | |
| Expenses | | | | | | |
| 20. | | | | | | |
| 21. Administration | 871 | 2,909 | 2,180 | 1,021 | 2,600 | Printing, postage, consumable materials |
| 22. Bank charges (all accounts) | | | | | | |
| 23. Capital Improvements | 32,500 | 13,047 | 64,200 | 37,131 | 36,200 | See items A through J on next page |
| 24. Insurance | 2,787 | 3,087 | 3,225 | 3,445 | 3,709 | Increased fidelity bond coverage |
| 25. Legal and professional fees | 325 | 2,887 | 4,500 | 3,264 | 3,500 | HOA lawyer and civil judgment fees |
| 26. Licenses and permits | 461 | 200 | 320 | 203 | 320 | |
| 27. Loan – dam and roads | 32,839 | 10,527 | | | | Loans paid in full |
| 28. Maintenance – building, grounds | 4,918 | 5,535 | 7,800 | 2,519 | 8,580 | Mowing, routine maintenance |
| 29. Maintenance – roads: | 31,689 | | 15,000 | 350 | 9,750 | Total of 29a + 29b + 29c |
| a. General minor maintenance | | 4,493 | 5,000 | | 4,750 | General minor maintenance (easement) |
| b. Snow removal | | | 5,000 | 350 | 5,000 | Snow removal |
| c. Law enforcement | | 720 | 5,000 | | | Law enforcement |
| 30. Mowing (bush hogging) | 1,220 | 1,220 | 1,220 | 775 | 1,600 | 11 lots bush hogging |
| 31. Operations – clubhouse | 1,802 | 1,945 | 2,250 | 667 | 2,000 | 10% management fee, cleaning and supplies |
| 32. Operations – playground | | | | | 750 | Mulch and maintenance |
| 33. Operations – pool | 4,073 | 3,590 | 4,500 | 3,303 | 4,140 | Chemicals and maintenance |
| 34. Operations – pool security | | | | | 13,160 | Access control |
| 35. Social contribution | | | 1,000 | | 1,500 | |
| 36. Taxes – Federal and State | | | | 472 | 2,972 | One time full Federal and State tax prep |
| 37. Electric | 2,680 | 4,021 | 4,675 | 2,449 | 4,725 | |
| 38. Fuel | 331 | | | | | Fuel oil furnace removed in 2010 |
| 39. Telephone | 399 | 375 | 385 | 260 | 404 | |
| 40. Deposit funds to reserve | | 60,000 | 40,000 | 30,000 | 30,000 | See items K through L on next page |
| 41. Road impact fee refund | | | | | | |
| 42. Total Expenses | 116,895 | 114,555 | 151,255 | 85,859 | 125,910 | Total Expenses |

* Year-to-date (YTD) is through August 31, 2012

Malvern Club, Inc.

CAPITAL IMPROVEMENTS FROM FIVE-YEAR PLAN FOR 2013

| | | | | |
|--|--|----------------|---------------|----------------|
| A. | Repair all patios, stairs, ramp, deck around clubhouse | Clubhouse | 11,000 | |
| B. | Outside shed for storage at clubhouse | Clubhouse | 10,000 | |
| C. | Air conditioning built in unit for teen center | Clubhouse | 2,000 | |
| D. | Repair upper deck on pool | Pool | 5,000 | |
| E. | Dock repairs, handicap access | Lake | 1,000 | |
| F. | Security lighting at lake | Lake | 1,000 | |
| G. | Carp for lake | Lake | 200 | |
| H. | Build retaining wall, repair fences at mailboxes | Common grounds | 1,000 | |
| I. | General common area landscaping | Common grounds | 2,000 | |
| J. | Easement clearance | Roads | 3,000 | 36,200 |
| K. | Dam maintenance reserve (2013 reserve deposited at 2012 yearend) | Lake | 0 | |
| L. | Future road repairs reserve | Roads | 30,000 | 30,000 |
| Total capital improvements – lines A through K: | | | 36,200 | |
| Operational expenses | | | 59,710 | |
| Total 2013 budget | | | | 125,910 |
| Anticipated 2013 income | | | | 125,910 |