



September 12, 2018

Citizens  
King Farm Citizens Assembly  
Rockville, MD 20850

Dear Citizen of King Farm:

Enclosed please find the 2019 "Draft Budget" for the King Farm Citizens Assembly (KFCA). As part of the budget process the King Farm Citizens Assembly will have an open community forum on **Tuesday, October 2, 2018 at 7:30PM** to address questions, concerns or issues with the draft budget. This forum will be located at the Community Center at 300 Saddle Ridge Circle.

The 2019 "Draft Budget" reflects **NO CHANGE** in fees for 2019. Please note, the King Farm Conservancy (the organization responsible for the shuttle services) is not a part of this budget and that fee is not reflected in the schedule below. The current Conservancy fee is \$12.51 per month per single family and townhome unit and \$3.13 per apartment unit. This fee is in addition to the fee listed below.

The 2019 proposed KFCA fees are as follows:

	2017	2018	PROPOSED 2019
Single Family/Townhomes	\$100.29	\$100.29	\$100.29
Condo's	\$75.30	\$75.30	\$75.30
Apartments	\$25.08	\$25.08	\$25.08

Due to the importance of the budget process we recommend that each resident take the time to review the draft budget and provide any comments you may have at the open forum and/or by submitting your comments to [budget@kingfarm.org](mailto:budget@kingfarm.org), which will be shared in their entirety with the committee and Board of Trustees.

Sincerely,

Budget & Finance Committee  
King Farm Citizens Assembly

	2017	2017	2018	2018	2019	
	Budget	Actual	Budget	YTD (6/30/2018)	Proposed Budget	
<b>INCOME</b>						
<b>ASSESSMENTS</b>						
CONDOMINIUM FEES	\$ 828,667.00	\$ 785,228.40	\$ 782,725.68	\$ 398,736.36	\$ 782,725.68	
MONTHLY FEES	\$ 1,548,830.00	\$ 1,570,676.17	\$ 1,566,783.00	\$ 793,418.55	\$ 1,566,783.00	
APARTMENT ASSESSMENTS	\$ 228,728.00	\$ 251,603.76	\$ 298,858.20	\$ 122,517.36	\$ 298,858.20	
Royalton/Residences Limited Condo	\$ 115,728.00	\$ 115,738.08	\$ 115,739.28	\$ 57,869.04	\$ 115,739.28	
Conservancey Residential Condominium	n/a	n/a	\$ 14,717.64	\$ -	\$ 14,717.64	
<b>TOTAL ASSESSMENTS</b>	<b>\$ 2,721,953.00</b>	<b>\$ 2,723,246.41</b>	<b>\$ 2,778,823.80</b>	<b>\$ 1,372,541.31</b>	<b>\$ 2,778,823.80</b>	
<b>OTHER INCOME</b>						
NEWSLETTER INCOME	\$ 34,700.00	\$ 14,265.00	\$ 32,000.00	\$ 16,400.00	\$ 32,000.00	
COMMUNITY CENTER RENTAL INCOME	\$ 12,000.00	\$ 8,200.00	\$ 16,800.00	\$ 14,700.00	\$ 18,000.00	
INTEREST INCOME	\$ 20,000.00	\$ 36,670.91	\$ 30,000.00	\$ 22,626.94	\$ 30,000.00	
LATE FEES	\$ 5,000.00	\$ 2,416.22	\$ 5,000.00	\$ 5,294.73	\$ 5,000.00	
SOCIAL EVENT INCOME	\$ 15,000.00	\$ 6,795.00	\$ 10,000.00	\$ 10,857.50	\$ 15,000.00	
MISC. INCOME	\$ 500.00	\$ 344.39			\$ -	
RESALE/PUD FEES	\$ 3,500.00	\$ 5,725.00	\$ 9,000.00	\$ 5,775.00	\$ 9,000.00	
Legal Fees - PMTS	\$ -	\$ 4,784.74	\$ -	\$ 7,224.66	\$ 2,500.00	
KEY FOBS		\$ 150.00	\$ 1,000.00	\$ 400.00	\$ 500.00	
KF Phase 4 Builder Contribution for Reserves		\$ 24,000.00	\$ 18,000.00	\$ 8,000.00	\$ 15,000.00	
<b>TOTAL OTHER INCOME</b>	<b>\$ 90,700.00</b>	<b>\$ 103,351.26</b>	<b>\$ 121,800.00</b>	<b>\$ 91,278.83</b>	<b>\$ 127,000.00</b>	
<b>TOTAL INCOME</b>	<b>\$ 2,812,653.00</b>	<b>\$ 2,829,266.19</b>	<b>\$ 2,900,623.80</b>	<b>\$ 1,463,820.14</b>	<b>\$ 2,905,823.80</b>	
<b>EXPENSES</b>						
<b>ADMINISTRATIVE</b>						
DUES & SUBSCRIPTIONS	\$ 1,000.00	\$ 237.00	\$ 1,000.00	\$ 142.00	\$ 1,000.00	
EDUCATION & TRAINING	\$ 2,000.00	\$ 489.45	\$ 1,500.00	\$ 660.00	\$ 1,500.00	
NEWSLETTER	\$ 50,000.00	\$ 41,872.94	\$ 50,000.00	\$ 24,725.85	\$ 50,000.00	
COMMUNICATIONS EXPENSE	\$ -	\$ -			\$ -	
OFFICE EQUIPMENT	\$ 5,000.00	\$ 8,061.29	\$ 6,500.00	\$ 6,130.62	\$ 6,500.00	
OFFICE SUPPLIES	\$ 10,000.00	\$ 13,582.66	\$ 5,000.00	\$ 1,084.56	\$ 5,000.00	
POSTAGE	\$ 10,000.00	\$ 5,856.55	\$ 10,000.00	\$ 5,638.50	\$ 6,000.00	
PRINTING & STATIONERY	\$ 10,000.00	\$ 9,117.96	\$ 12,000.00	\$ 7,808.20	\$ 7,500.00	
RECORDING SECRETARY	\$ 2,500.00	\$ 2,160.00	\$ 2,500.00	\$ 1,090.00	\$ 3,000.00	
UNCOLLECTIBLE CHARGES- Bad Debt	\$ -	\$ 54,050.00	\$ -		\$ 55,000.00	#1
AUDITOR	\$ 7,500.00	\$ 14,700.00	\$ 15,000.00	\$ 200.00	\$ 18,000.00	
ENGINEERING CONSULTANTS	\$ 3,500.00	\$ -	\$ 1,500.00	\$ -	\$ 5,000.00	#2
LEGAL-COLLECTIONS		\$ 710.00	\$ 1,000.00	\$ 900.00	\$ 1,000.00	
LEGAL	\$ 30,000.00	\$ 32,443.64	\$ 30,000.00	\$ 24,718.08	\$ 30,000.00	
MANAGEMENT FEES	\$ 55,600.00	\$ 57,392.00	\$ 58,000.00	\$ 28,838.00	\$ 80,500.00	#3
ARCHITECT	\$ 20,000.00	\$ 15,067.11	\$ 20,000.00	\$ 13,763.18	\$ 20,000.00	
INSURANCE	\$ 55,000.00	\$ 52,461.91	\$ 56,681.00	\$ 26,409.48	\$ 55,000.00	
INSURANCE DEDUCTIBLES	\$ 2,500.00	\$ -	\$ 1,000.00	\$ -	\$ -	
WEBSITE			\$ 500.00	\$ 943.34	\$ 500.00	
<b>TOTAL ADMINISTRATIVE</b>	<b>\$ 264,600.00</b>	<b>\$ 308,202.51</b>	<b>\$ 272,181.00</b>	<b>\$ 143,051.81</b>	<b>\$ 345,500.00</b>	
<b>ACTIVITIES</b>						
ACTIVITIES DIRECTOR	\$ 30,000.00	\$ 24,416.63	\$ 30,000.00	\$ 12,499.98	\$ 30,000.00	
ACTIVITIES EXPENSES	\$ 85,000.00	\$ 123,968.54	\$ 85,000.00	\$ 49,446.55	\$ 85,000.00	
REGISTERED AFFILIATES	\$ 11,000.00	\$ 13,083.33	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	
NEW REGISTERED AFFILIATES	\$ 2,000.00	\$ 1,500.00	\$ 2,000.00	\$ 5,750.00	\$ 5,000.00	
<b>TOTAL ACTIVITIES</b>	<b>\$ 128,000.00</b>	<b>\$ 162,968.50</b>	<b>\$ 128,000.00</b>	<b>\$ 143,995.15</b>	<b>\$ 131,000.00</b>	
<b>COMMUNITY GOVERNING</b>						
BOD TRAINING/ELECTIONS	\$ 1,500.00	\$ -	\$ 1,500.00	\$ -	\$ 1,000.00	
BOARD OF DIRECTORS EXPENS	\$ 5,000.00	\$ 7,228.03	\$ 5,000.00	\$ 3,102.64	\$ 6,750.00	
PRESIDENT EXPENSE	\$ 6,000.00	\$ 8,500.00	\$ 8,500.00	\$ 3,500.00	\$ 8,500.00	
COMMITTEES EXPENSES	\$ 500.00	\$ -	\$ -	\$ -	\$ -	
<b>TOTALCOMMUNITY GOVERNING</b>	<b>\$ 13,000.00</b>	<b>\$ 15,728.03</b>	<b>\$ 15,000.00</b>	<b>\$ 6,602.64</b>	<b>\$ 16,250.00</b>	

	2017	2017	2018	2018	2019
	Budget	Actual	Budget	YTD (6/30/2018)	Proposed Budget
<b>PAYROLL</b>					
PAYROLL TAXES & BENEFITS	\$ 18,500.00	\$ 18,533.73	\$ 18,500.00	\$ 7,338.60	\$ 18,500.00
UNEMPLOYMENT TAXES	\$ 500.00	\$ 97.06	\$ 500.00	\$ 76.53	\$ 250.00
GROUP HEALTH INSURANCE	\$ 23,000.00	\$ 20,763.58	\$ 25,000.00	\$ 10,365.85	\$ 25,000.00
BONUSES	\$ 15,000.00	\$ 8,662.74	\$ 15,000.00	\$ -	\$ 15,000.00
ON-SITE STAFF	\$ 220,000.00	\$ 216,460.23	\$ 220,000.00	\$ 94,288.33	\$ 220,000.00
MAINTENANCE PAYROLL		\$ -		\$ -	
SIMPLE IRA	\$ 9,840.00	\$ 4,689.21	\$ 4,920.00	\$ -	\$ 5,000.00
PAYROLL ADMIN COSTS		\$ 5,756.50	\$ -	\$ 2,039.66	\$ -
<b>TOTAL PAYROLL</b>	<b>\$ 286,840.00</b>	<b>\$ 274,963.05</b>	<b>\$ 283,920.00</b>	<b>\$ 114,108.97</b>	<b>\$ 283,750.00</b>
<b>UTILITIES</b>					
ELECTRICITY	\$ 35,000.00	\$ 17,903.31	\$ 35,000.00	\$ 7,637.59	\$ 16,000.00
ELECTRICITY-COMMUNITY CEN	\$ 10,000.00	\$ 17,520.13	\$ 10,000.00	\$ 8,984.44	\$ 18,000.00
GAS	\$ 5,000.00	\$ 3,636.12	\$ 5,000.00	\$ 2,005.14	\$ 5,000.00
WATER & SEWER	\$ 50,000.00	\$ 63,852.80	\$ 50,000.00	\$ 10,797.13	\$ 55,000.00
WATER & SEWER - COMMUNITY	\$ 15,000.00	\$ 10,709.46	\$ 15,000.00	\$ 13,920.07	\$ 15,000.00
TELEPHONE	\$ 12,000.00	\$ 11,509.76	\$ 12,000.00	\$ 4,707.03	\$ 9,500.00
<b>TOTAL UTILITIES</b>	<b>\$ 127,000.00</b>	<b>\$ 125,131.58</b>	<b>\$ 127,000.00</b>	<b>\$ 48,051.40</b>	<b>\$ 118,500.00</b>
<b>SWIMMING POOL</b>					
POOL CONTRACT	\$ 148,000.00	\$ 148,620.62	\$ 150,828.00	\$ 98,352.00	\$ 154,428.00
POOL REPAIRS	\$ 5,000.00	\$ 19,395.53	\$ 3,500.00	\$ 1,600.00	\$ 7,500.00
POOL SUPPLIES	\$ 500.00	\$ -	\$ 5,000.00	\$ -	\$ 2,500.00
POOL FURNITURE	\$ 2,500.00	\$ 99.09	\$ 2,500.00	\$ 20,976.40	\$ -
<b>TOTAL SWIMMING POOL</b>	<b>\$ 156,000.00</b>	<b>\$ 168,115.24</b>	<b>\$ 161,828.00</b>	<b>\$ 120,928.40</b>	<b>\$ 164,428.00</b>
<b>REPAIRS &amp; MAINTENANCE</b>					
H V A C	\$ 2,500.00	\$ -	\$ 1,500.00	\$ -	\$ 500.00
ELECTRICAL REPAIRS	\$ 500.00	\$ 86.00	\$ 500.00	\$ -	\$ 1,000.00
PLUMBING REPAIRS	\$ 4,500.00	\$ 534.80	\$ 3,500.00	\$ 125.00	\$ 2,500.00
PAINTING	\$ -	\$ -			\$ 500.00
CARPENTRY	\$ -	\$ -			\$ 500.00
ALLEY LIGHT INSPECTIONS			\$ 3,600.00	\$ 1,800.00	\$ 3,600.00
IRRIGATION REPAIRS		\$ 18,058.00	\$ 20,000.00	\$ 585.00	\$ 20,000.00
GENERAL SUPPLIES	\$ 1,000.00	\$ -			
JANITORIAL SUPPLIES	\$ 500.00	\$ 414.78			\$ 500.00
COMMON AREA MAINTENANCE	\$ 55,000.00	\$ 55,707.03	\$ 50,000.00	\$ 47,495.32	\$ 50,000.00
PARKING PERMITS	\$ 500.00	\$ -	\$ 150.00	\$ -	\$ -
DIRECTORIES & SIGNS	\$ -	\$ -		\$ -	\$ -
FIRE SAFETY EQUIPMENT	\$ 1,660.00	\$ 3,108.42	\$ 4,000.00	\$ 129.60	\$ 2,500.00
ACCESS CONTROL SYSTEM R &	\$ 2,500.00	\$ 19,708.68	\$ 5,000.00	\$ 3,349.56	\$ 1,000.00
EXERCISE ROOM	\$ 5,000.00	\$ 3,517.53	\$ 7,000.00	\$ 3,130.75	\$ 5,000.00
TOT LOT	\$ 500.00	\$ -	\$ 500.00	\$ -	\$ 500.00
STREET LIGHTS	\$ 20,000.00	\$ 24,094.86	\$ 5,000.00	\$ -	\$ 5,000.00
STORM WATER DRAIN MAINT	\$ 23,000.00	\$ -	\$ 20,000.00	\$ 13,995.00	\$ 25,000.00
<b>TOTAL REPAIRS &amp; MAINT</b>	<b>\$ 117,160.00</b>	<b>\$ 125,230.10</b>	<b>\$ 120,750.00</b>	<b>\$ 70,610.23</b>	<b>\$ 118,100.00</b>
<b>MAINTENANCE SERVICE AGREEMENTS</b>					
CELL PHONES	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 1,144.30	\$ 2,100.00
HVAC CONTRACT	\$ 1,200.00	\$ 120.00	\$ 1,000.00	\$ 950.00	\$ 1,200.00
CLEANING CONTRACT	\$ 46,500.00	\$ 45,639.27	\$ 47,000.00	\$ 23,049.04	\$ 45,000.00
GROUNDS MAINTENANCE CONTR	\$ 351,216.00	\$ 351,216.00	\$ 389,716.00	\$ 196,176.00	\$ 494,700.00
GROUNDS-IRRIGATION	\$ 30,000.00	\$ 30,000.00	\$ 12,800.00	\$ 6,431.50	\$ -
GROUNDS RESTORATION	\$ 45,000.00	\$ 93,933.99	\$ 45,000.00	\$ 42,207.00	\$ 50,000.00
PET WASTE REMOVAL	\$ 18,000.00	\$ 16,802.19	\$ 14,000.00	\$ 10,366.00	\$ -
ALARM SYSTEM CONTRACT	\$ -	\$ -	\$ 1,200.00	\$ -	\$ 1,200.00
SNOW REMOVAL	\$ 650,000.00	\$ 115,303.75	\$ 650,000.00	\$ 120,005.15	\$ 550,000.00
CABLE/INTERNET	\$ 6,500.00	\$ 6,277.06	\$ 6,500.00	\$ 2,358.23	\$ 5,000.00
COMMUNITY ROOM (extra cleaning fr	\$ 500.00	\$ 1,000.00	\$ 500.00	\$ -	\$ 3,500.00
<b>TOTAL SERVICE AGREE</b>	<b>\$ 1,151,016.00</b>	<b>\$ 662,392.26</b>	<b>\$ 1,169,816.00</b>	<b>\$ 402,687.22</b>	<b>\$ 1,152,700.00</b>

	2017	2017	2018	2018	2019	
	Budget	Actual	Budget	YTD (6/30/2018)	Proposed Budget	
<b>TOTAL Other Expenses</b>						
Real Estate Tax	\$ 50,000.00	\$ 53,075.90	\$ 50,000.00	\$ 143.18	\$ 55,000.00	
Licenses, fees, permits	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 200.00	\$ 200.00	
Other Taxes						
<b>TOTAL Taxes &amp; Licenses</b>	<b>\$ 52,000.00</b>	<b>\$ 53,075.90</b>	<b>\$ 52,000.00</b>	<b>\$ 343.18</b>	<b>\$ 55,200.00</b>	
<b>RESERVE CONTRIBUTIONS</b>						<b>#5</b>
REPLACEMENT RESERVE CONTR	\$ 485,000.00	\$ 485,000.00	\$ 485,000.00	\$ 242,504.00	\$ 475,000.00	
INTEREST CONTRIBUTIONS TO	\$ 30,000.00	\$ 36,423.46	\$ 30,000.00	\$ 22,626.94	\$ 30,000.00	
KF Phase 4 Builder Contribution for Reserves		\$ 24,000.00	\$ 18,000.00	\$ -	\$ 15,000.00	
<b>TOTAL RESERVE CONTR</b>	<b>\$ 515,000.00</b>	<b>\$ 545,423.46</b>	<b>\$ 533,000.00</b>	<b>\$ 265,130.94</b>	<b>\$ 520,000.00</b>	
<b>TOTAL EXPENSES</b>	<b>\$ 2,810,616.00</b>	<b>\$ 2,441,230.63</b>	<b>\$ 2,863,495.00</b>		<b>\$ 2,905,428.00</b>	
<b>TOTAL INCOME</b>	<b>\$ 2,812,653.00</b>	<b>\$ 2,829,266.19</b>	<b>\$ 2,900,623.80</b>		<b>\$ 2,905,823.00</b>	
<b>Variance</b>	<b>\$2,037.00</b>	<b>\$ 388,035.56</b>	<b>\$ 37,128.80</b>		<b>\$ 395.00</b>	
<b>SNOW RESERVE 2017 Notes:</b>						
Snow Reserve transfer April 2018		\$ 150,000.00				
Snow Reserve transfer due Dec 2018		\$ 238,035.56				
<b>2019 Proposed Budget Notes:</b>						
<b>NOTE #1 New Auditor Fee and recommendaiton to add UNCOLLECTIBLE CHARGES- Bad Debt</b>						
<b>NOTE #2 New Reserve Sutdy 2019 not Update to exisiting</b>						
<b>NOTE #3 New Financial Management Company 2019 30-40% increase in this line item</b>						
<b>NOTE #4 &amp; #5 Reduced Snow Removal Exp and Reserve Contributions for 2019 to propose 0% increase for 2019</b>						