

***REFLECTION VILLAGE
THE RIDGE CLUB***

December 14, 2007

Dear Neighbor:

Enclosed you will find the approved budget for 2008.

The Committee has decided to hold the quarterly fees at \$1,430 for the third year in a row. A mild winter has allowed us to save on snow removal in 2007, allowing us to carry over \$2,880 into 2008.

This fall we have placed snow removal out to bid, as the new ownership of the golf course will not be providing services to homeowners, including our Village. We have hired Maffei Landscaping to handle our plowing and shoveling of the front walks. We will also place landscaping and painting out to bid this winter to obtain pricing within our budget.

We have recently asked for two volunteers to serve as Reflection Committee Members. Bob Cappadona has volunteered and is automatically elected to the three-year term, since no other owner has come forward.

We will be looking for another person to fill the two-year position created by Vince Cortina, who is stepping down at the end of this month. We wish to thank Vince for his hard work and years of service to our community. Any owner willing to serve should contact:

Bob Cappadona (bob@cappadonainsurance.com) Telephone #: 617-923-4515
Maurice Jeffery (candy32man@aol.com) Telephone #: 508-428-8506

As always we ask that you contact Mercantile Property Management on any issue regarding our Village:

Office phone # 508-759-5555
Craig J. McGowan, Property Manager propmgr@mercantileproperty.com
Jodi & Jenna, Customer Service Reps. maint@mercantileproperty.com

Thank you and Happy Holidays!

Sincerely,

Reflection Village Committee
Vince Cortina, Chairperson
Bob Cappadona
Maurice Jeffrey

REFLECTION VILLAGE

APPROVED BUDGET 2008

INCOME

Quarterly Fees	137,280
Bank Interest	2,400
Late Fee	60
Prior Year Excess	2,880
TOTAL INCOME	142,620

EXPENSES

Administrative Expenses

Management Fee	7,680
Generator House/Insurance	700
Office Supplies/Postage	600

Maintenance Contract & Supply

Street Lighting	1,200
General Repairs/Maint. Supplies	600
Painting	17,300
Landscaping	72,600
Landscape Miscellaneous	5,000
Tree & Shrub Pruning/Spraying	7,000
Irrigation Repair/Maintenance	3,600
Snow Removal	6,000

Utilities

Electricity	2,940
Gas-Generator	500
Septic	4,800
TOTAL EXPENSES	130,520

Reserves

RV-Reserves	4,900
RV-Reserve Interest	2,400
RV-Reserve Septic	4,800
TOTAL EXPENSES	142,620

NET INCOME

0

REFLECTION VILLAGE
BUDGET FOOTNOTES 2008

INCOME

Quarterly Fees

This represents the same quarterly fee of \$1,430 based on twenty-four homes.

Bank Interest

Estimated interest paid on reserve funds – assume \$60,000 @ 4% APR.

Prior Year Excess

Monies not expensed in prior fiscal year.

EXPENSES

ADMINISTRATIVE EXPENSES

Management Fee

Based on a 3% increase in the management fee.

Generator House/Insurance

Estimated cost for insurance of the components in the generator house.

Office Supplies/Postage

Estimated cost for postage, etc.

MAINT. CONTRACT & SUPPLY

Street Lighting

Estimated cost for street lighting, i.e.: replacement of bulbs, etc.

General Repairs/Maintenance Supplies

Miscellaneous repair items including repair for broken pickets on fences.

Painting

Estimated cost to power wash, prime, hand wash gutters and paint the next six homes on the 4-year paint cycle. Estimate to do a light powerwash on six homes painted three years ago.

Landscaping

No increase projected in cost.

The contract includes spring & fall cleanup, lawn de-thatching, lawn aeration, edge beds, apply 220 yards of mulch, four lawn fertilization applications, herbicide to mulch bed and wild area, mowing & trimming and pruning of shrubs.

Landscape Miscellaneous

Services will include clean out gutters and downspouts twice per year, remove weeds from walks, patios, beds, and close adjacent areas, as necessary, and spot loam & seed lawn areas, as necessary.

Tree & Shrub Pruning/Spraying

Estimated cost to spray trees and shrubs for tip moth and turpentine beetle and two days of tree pruning.

Irrigation Repair/Maintenance

Projected cost to turn system on in spring and close in fall. Also costs for on-going repairs and maintenance.

Snow Removal

Estimated cost for snow removal services which includes plowing of the cul de sacs and shoveling of front walks.

UTILITIES

Electricity

Estimated cost for electric services plus 5%.

Gas - Generator

Estimated cost to power the gas generator.

Septic

Estimated cost for quarterly septic inspections and reports by the engineers. Also clean out of pumping station.

RESERVE PROVISIONS

Reserves

Allocated funds for capital item repairs/replacement.

Reserve Interest

Estimated interest on reserves.

Reserve Septic

Funds required for septic replacement.