

LLANO GRANDE GOLF COURSE SUBDIVISION HOA  
FINANCIAL GUIDELINES

The Llano Grande Golf Course Subdivision HOA (GCSD) Treasurer is a member of the Board of Directors and is selected by a vote of the Directors. The Treasurer and the Chair shall serve as the banking authorities and are authorized to select financial institutions for GCSD, as well as individual accounts and investment vehicles.

Homeowners' Associations (HOAs) in Texas must follow several financial guidelines, including:

- **Budgeting:** HOAs must have a well-structured budget that includes expected income and expenses.
- **Record keeping:** HOAs must maintain detailed financial records of all transactions.
- **Transparency:** HOAs must be transparent with residents about their financial status and activity.
- **Assessment increases:** Texas law does not limit how much or how often assessments can increase, but the association's governing documents may include caps or restrictions.
- **Fines:** HOA policies must include a schedule of fines for each category of violation.

An annual Financial Statement will be provided to all residents and is available upon written requests from residents with suitable processing time. The annual Statement will consist of:

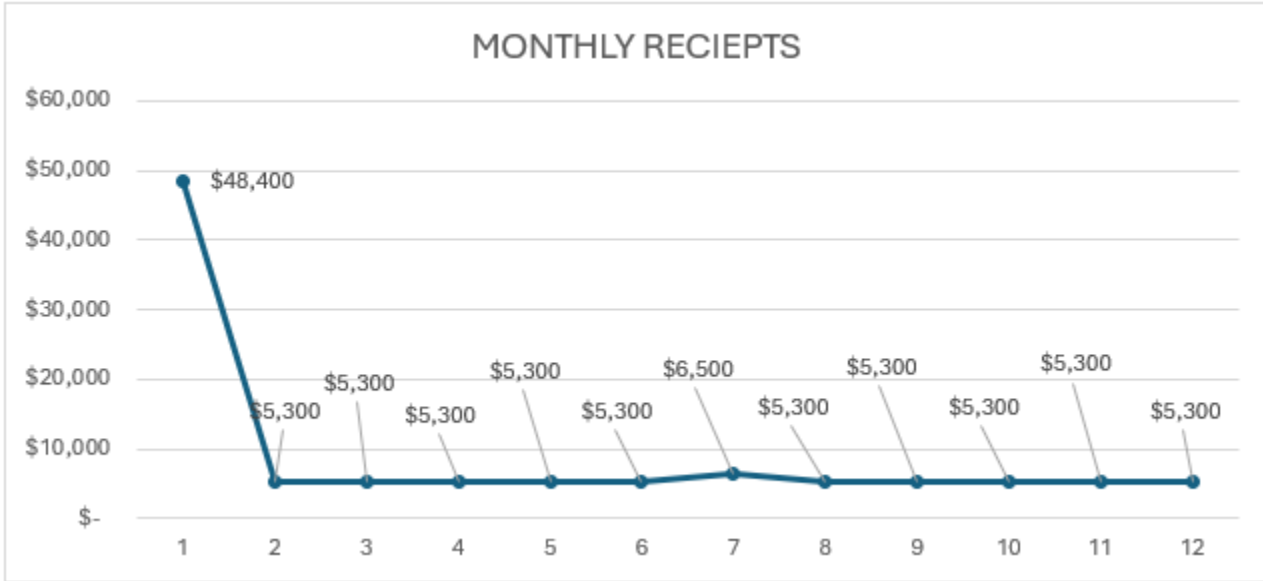
- Balance sheet, which should include all account balances
- Income statement
- All Receivables (this should include any past due fees such as delinquencies, collections, and vendor credits)
- Bank statements
- Ledger (including all account activity within the time period)
- Reserve fund balances

The GCSD fiscal year shall be January 1<sup>st</sup> to December 31<sup>st</sup>.

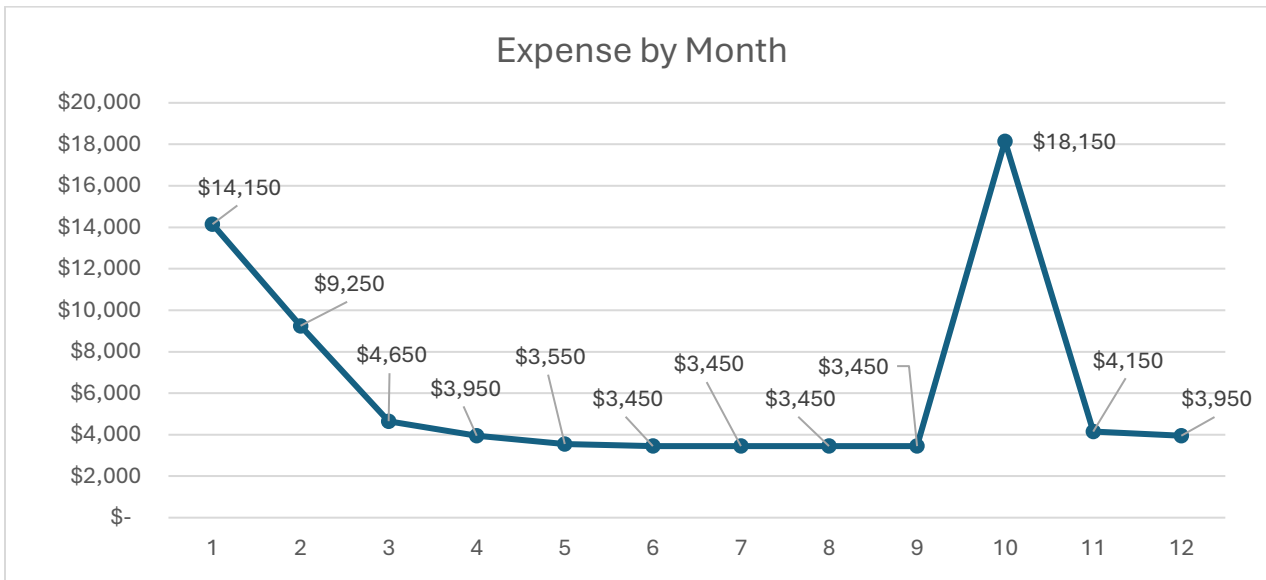
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**CASH FLOW**

While revenue spikes in January as many residents choose to make annual payments,



expenses have periodic spikes both early and late in the same year.



These are first year indicators and will need to be watched over the coming years to have a full financial picture.

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**BUDGETING**

An Annual Summary Budget shall be prepared and presented to GCSD residents for approval. Each resident may cast their vote based on one vote per lot.

The Summary Budget shall contain a list of all categories of credits and debits and reflect the prior-year budget; the actual prior year expenditures; and the Plan Year budget.

Definitions:

- **Common Area Property Tax:** Combined property tax bill, generally paid in November
- **Hoa Billing And Accounting:** Bank Charges, Printing
- **Club House Insurance:** Property / Casualty Insurance and Director / Officer Liability
- **Legal Fund:** A reserve for seeking legal advice throughout the year.
- **Tree Trimming:** Costs for trimming palm trees, generally paid in September
- **Common Area Mowing:** Annual contract for biweekly mowing of common areas.
- **Maintenance / upgrade:** Reserved funds for routine maintenance and minor improvement of common areas
- **Club House Maids:** Housekeeping (currently unfunded)
- **Club House Pool:** Expenses for pool services and materials.
- **Utilities:** Water, gas and electricity for common areas and streetlights.
- **Entertainment fund:** Reserved funds for community activities
- **Special landscaping:** Reserved funds for community beautification.
- **Clubhouse repairs:** Specific project-related expenses.

For 2025 Residents’ Dues are sufficient to cover all expenses with considerable savings each year.



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The Board of Directors is authorized to make payments on any expenditure contained in the approved budget.

*Table 1: Example Summary Budget*

	Prior Year Budget	Prior Year Actual	Future Year Budget
<b>TOTAL REVENUE</b>	\$ -		\$ <b>110,400</b>
<b>Common Area Property Tax</b>	\$ -		\$ 10,000
<b>HOA BILLING AND ACCOUNTING</b>	\$ -		\$ 1,800
<b>Club House Ins</b>	\$ -		\$ 4,200
<b>Legal Fund</b>	\$ -		\$ 6,500
<b>Tree Trimming</b>	\$ -		\$ 6,000
<b>Common Area Mowing</b>	\$ -		\$ 4,800
<b>Maintenance / upgrade</b>	\$ -		\$ 11,000
<b>Club House Maids</b>	\$ -		\$ -
<b>Club House Pool</b>	\$ -		\$ 7,200
<b>Utilities</b>	\$ -		\$ 18,100
<b>Entertainment fund</b>	\$ -		\$ 2,500
<b>Special landscaping</b>	\$ -		\$ 1,000
<b>Clubhouse repairs</b>	\$ -		\$ 3,500
<b>TOTAL EXPENSE</b>	\$ -	\$ -	\$ <b>76,600</b>
<b>UNINCUMBERED FUNDS</b>	\$ -	\$ -	\$ <b>33,800</b>
<i>Accumulative</i>		\$ -	\$ 33,800.00

**UNPLANNED EXPENSE**

The Board of Directors may access available funds and / or credit to address emergency failures in community infrastructure.

Once the initial emergency is addressed, the Board shall notify residents of the situation, the financial impact and the plans to address shortfalls.

**CAPITAL IMPROVEMENTS**

Funds for improvement projects beyond budgeted routine maintenance require community approval.

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**COMMITTEE ALLOCATION**

Committees established by the Board of Directors shall be allocated funds based on the annual budget. Committees may not create financial obligations for GCSD without specific approval from the Board of Directors.



**MONTHLY FINANCIAL PLANNING**

A monthly budget, derived from the Summary Budget, shall provide insight into the anticipated cash flow for GCSD.

ROUTINE COSTS FOR HOA													
Assuming \$100 per month													
HOA FUNDS	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
93 Paying lots	\$ 9,300	\$ 9,300	\$ 9,300	\$ 9,300	\$ 9,300	\$ 9,300	\$ 9,300	\$ 9,300	\$ 9,300	\$ 9,300	\$ 9,300	\$ 9,300	\$ 111,600
Potential unpaid	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
Realized revenue	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 110,400
FIX EXPENSES	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Common Area Property Tax										\$10,000			\$ 10,000
HOA BILLING AND ACCOUNTING	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 1,800
Club House Ins	\$ 4,200												\$ 4,200
Legal Fund	\$ 3,000	\$ 3,500											\$ 6,500
Tree Trimming										\$ 6,000			\$ 6,000
Common Area Mowing	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 4,800
ROUTINE TOTAL	\$ 7,750	\$ 4,050	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$16,550	\$ 550	\$ 550	\$ 33,300
VARIABLE EXPENSES	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Maintenance / upgrade		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 11,000
Club House Maids	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Club House Pool	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 7,200
Utilities	\$ 1,800	\$ 2,100	\$ 2,000	\$ 1,800	\$ 1,400	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,000	\$ 1,500	\$ 1,300	\$ 18,100
Entertainment fund	\$ 500	\$ 500	\$ 500								\$ 500	\$ 500	\$ 2,500
Special landscaping		\$ 1,000											\$ 1,000
VARIABLE TOTAL	\$ 2,900	\$ 5,200	\$ 4,100	\$ 3,400	\$ 3,000	\$ 2,900	\$ 2,900	\$ 2,900	\$ 2,900	\$ 2,600	\$ 3,600	\$ 3,400	\$ 39,800
SPECIAL EXPENSES	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Clubhouse repairs	\$ 3,500												\$ 3,500
SPECIAL TOTAL	\$ 3,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,500
										TOTAL ROUTINE EXPENSE			\$ 76,600
										BALANCE AFTER EXPENSE			\$ 33,800
SAVINGS PROJECTIONS													
Revenue	\$ 19,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200
Expense	\$ 14,150	\$ 9,250	\$ 4,650	\$ 3,950	\$ 3,550	\$ 3,450	\$ 3,450	\$ 3,450	\$ 3,450	\$ 3,450	\$19,150	\$ 4,150	\$ 3,950
Balance	\$ 5,050	\$ (50)	\$ 4,550	\$ 5,250	\$ 5,650	\$ 5,750	\$ 5,750	\$ 5,750	\$ 5,750	\$ 5,750	\$ (9,950)	\$ 5,050	\$ 5,250
Accumulative savings (open \$10K)	\$ 5,050	\$ 5,000	\$ 9,550	\$ 14,800	\$20,450	\$26,200	\$31,950	\$ 37,700	\$ 43,450	\$33,500	\$ 38,550	\$ 43,800	\$ 43,800
										ESTIMATED YEAR END BALANCE			\$ 43,800

