

MASTER BUDGET LINE ITEM EXPLANATIONS

Accounting-Master: Covers the minimal cost for the accounting of this budget.

Legal-Master: Covers general council services.

Bank Fees: Various charges from the bank which handles our accounts.

Office Expense-Master: Covers supplies, paper, etc.

Postage-Master: For mailing notices like budget, audit, etc.

Insurance: This is for the Directors and Officers liability Insurance.

CDD Service Agreement: HOPCA pays the CDD \$100,000 per year for various services, which is predominantly for irrigation and services from the Property Manager, maintenance personnel and others.

Taxes: Income-Federal: Federal law requires that all corporations pay taxes on the money they take in and we are no exception.

Corp Report/Annual Fee: Required by State Statute, that corporations must have an annual report.

Miscellaneous/General: To cover anything which does not fit into the other line items.

Audit: To cover the cost of an annual audit, required by Florida Statute, as our income exceeds \$400,000 annually.