

Foreword

This is the 14th revision of this manual, which was first published in 1975.

The manual is designed as a guideline to assist homeowners associations, developers, and management firms of common interest subdivisions in budget preparation. The materials are applicable, at least in part, to the following common-interest subdivisions:

- Planned developments (PDs)
- Condominiums (Condos)
- Community apartments (Com. Apts.)
- Stock cooperatives (Stock Co-ops)
- Undivided interest subdivisions/TIC (Tenancy in Common)

The cost data are considered to be reliable as of January 2016. Costs incurred in maintaining and operating the common facilities in common interest subdivisions are likely to be affected by inflation. Inflationary influences should therefore be considered in budget preparation for budgets that are prepared far in advance of the operating period covered by the budget.

The data in this manual has been collected by the Budget Review Section staff of the California Department of Real Estate (DRE/Department) from a variety of sources, including homeowners associations, professional management firms, service organizations, public utilities, and manufacturers.

It has been assembled in a form to facilitate multi-purpose use by lay governing bodies of homeowners associations, developers, and professional management firms alike. As such, some parts of this manual may not apply to your situation and other resources should be solicited. THIS MANUAL IS NOT INTENDED TO INSTRUCT HOMEOWNERS ASSOCIATIONS IN ACCOUNTING PROCEDURES OR FORMAT.

The Department will appreciate receiving suggestions for improvement of the manual. Please send to:

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Please include your telephone number on correspondence to facilitate follow-up communication by telephone.