

LONGBOAT HARBOUR OWNERS ASSOCIATION, INC.

4454 Gulf of Mexico Drive – Longboat Key, Florida 34228

(941) 383-2126

To: Members/Owners Longboat Harbour Owners Association, Inc.

Date: October 1, 2013

Enclosed is the Proposed Budget for 2014 as well as the Maintenance Fee Schedule necessary to support this budget.

Notes Relative to Significant Elements of the Proposed 2014 Operating Budget:

- A. Wages – Current employees (11) at estimated hourly rates or salaries to be implemented in 2014.
- B. Utilities – Estimated for 2014 based on usage for 2012-2013 at estimated 2014 rates.
- C. Cable TV – The proposed new contract from Comcast starting in 2014 increases this cost by 12 ½ %.
- D. Termite/Pest Control – Sabrina Weingard negotiated a new Pest Control contract that includes termite extermination, thereby eliminating the Termite budget.
- E. Insurance – The largest increases are 20% for Health, 12.5% for Wind, and 14.7% for Flood insurance per advice of insurance agent.
- F. Maintenance of Facilities – Estimates reflect a reduction due to more maintenance work being completed by LbH staff.
- G. Uncollected Maintenance Fees – Maintenance fees from units LbH foreclosed on has been eliminated because banks have taken over and plan to sell these units.
- H. Carport Repairs & Operating Committee – Budgets have been reduced due to the contracted work being done under the special assessment.
- I. Capital Replacement Reserves – Proposed partial funding of Capital Replacement Reserves (must be included in proposed budget) equal to 10% of total operating budget to satisfy current mortgage loan underwriting criteria. This amount will be restricted for use only for qualified capital expenses and major deferred maintenance costs included in the Annual Reserve Study. In 2013, this account was funded by the accumulated surplus (Liquidity). However, in 2014 this reserve account MUST be funded separately.
- J. Maintenance Fees – In 2013, Maintenance Fees were not increased. Instead LbH's Liquidity was reduced by \$195,000 (\$25,000 to fund a portion of the budget and the \$170,000 to partially fund the Capital Reserve Fund).

Longboat Harbour Owners Assoc., Inc. 2014 Operating Budget

	A	B	C	D	E	F	G	H
1		LONGBOAT HARBOUR OWNERS ASSOCIATION, INC.						
2		PROPOSED 2014 OPERATING BUDGET						
3								
4		2012	2012	To	Date	2013	2014	
5			Annual	Aug. 2013	Aug. 2013	Annual	Annual	
6		<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	
7								
8				REVENUES				
9								
10	Maint. Fees	\$ 1,569,527	\$1,569,600	\$925,985	\$933,067	\$1,399,600	\$1,619,871	J
11	Cap Rep Res		0	120,000	113,333	170,000	170,000	I
12	Interest	644	1,000	256	533	800	600	
13	Late Fees	278	0	25	0	0	1,000	
14	Applctn Fees	6,500	8,000	6,800	4,000	10,000	10,000	
15	Lndry Revenue	21,845	22,000	14,360	12,500	25,000	25,000	
16	Apartment Rnt	14,976	15,000	9,984	10,000	15,000	15,000	
17	Bch.Ppty.Rnt	17,200	17,200	17,500	17,500	17,500	17,850	
18	Miscellaneous	227	500	177	200	300	300	
19	E206 Rental	5,950	9,000	4,500	6,000	9,000	0	
20	L207 Rental	7,650	10,200	0	0	10,200	0	
21	M204 Rental	7,050	6,900	750	0	0	0	
22								
23	TOTAL REV.	\$1,651,847	\$1,659,400	\$1,100,337	\$1,097,133	\$1,657,400	\$1,859,621	
24								
25								
26				EXPENSES				
27								
28	PERSONNEL							
29								
30	Salaries-Office	\$89,848	\$91,500	\$60,475	\$62,596	\$93,000	\$93,000	A
31	Salaries-Maint.	154,364	157,500	101,706	109,038	162,000	154,500	A
32	Salaries-Hk	121,320	123,400	82,319	84,808	126,000	126,000	A
33	FICA/SS	27,964	29,000	18,705	20,192	30,000	30,000	
34	Emp. Hlth. Ins.	64,541	79,500	47,916	50,000	75,000	90,000	E
35	FUTA Tax	1,424	1,000	1,267	1,000	1,000	1,500	
36	SUTA Tax	4,823	4,500	2,005	5,000	5,000	5,000	
37								
38	Sub Total	464,284	486,400	314,393	332,634	492,000	500,000	
39								
40	UTILITIES							
41								
42	Electric	43,745	49,000	30,160	32,667	49,000	48,000	B
43	Gas/Pl. Heat	18,868	36,000	16,195	22,700	30,000	25,000	B
44	Trash/Recycle	27,060	30,000	18,451	20,000	30,000	30,000	B
45	Water/Sewer	164,419	175,000	122,530	115,000	170,000	170,000	B
46								
47	Sub Total	254,092	290,000	187,336	190,367	279,000	273,000	
48								
49								

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50		2012	2012	To	Date	2013	2014	
51			Annual	Aug. 2013	Aug.2013	Annual	Annual	
52		<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	
53								
54	CONTRACTS							
55								
56	Cable/TV	88,856	89,300	60,872	61,333	92,000	103,500	C
57	Termite	11,000	11,000	0	0	11,000	0	D
58	Elevator	25,064	25,000	16,568	18,000	27,000	27,000	
59	Fire Alarms	829	1,200	0	1,200	1,200	1,200	
60	Fire Ext.	4,331	4,500	2,331	4,000	4,500	4,500	
61	Lawn Svc.	99,000	99,000	66,000	66,800	100,200	103,000	
62	Pest Control	10,035	12,000	13,200	11,500	12,000	14,500	D
63	Comp. Sftwre.	1,607	1,700	1,600	1,200	1,800	3,000	
64	Pool Maint.	14,520	15,600	9,680	10,667	16,000	16,000	
65	Air. Cond.	3,071	3,100	0	3,100	3,100	3,100	
66								
67	Sub Total	258,313	262,400	170,251	177,800	268,800	275,800	
68								
69	INS. & TAX							
70								
71	Package	57,643	62,000	38,314	40,267	60,400	58,621	
72	Bus. Auto	171	200	118	133	200	200	
73	Windstorm	165,529	168,000	124,114	124,333	186,500	209,400	E
74	Empl. Bond	490	750	327	333	500	500	
75	D&O Liability	2,922	2,650	3,061	2,000	3,000	4,000	
76	Umbrella	4,241	4,000	2,959	2,867	4,300	4,500	
77	Wrkrs Comp.	11,639	11,500	8,030	8,400	12,600	12,900	
78	Flood	104,858	113,900	86,204	79,733	119,600	151,600	E
79	Fed. Inc. Tax	11,080	4,000	1,270	8,000	12,000	5,000	
80	Fl. Annl. Chg	1,200	1,200	1,200	1,200	1,200	1,200	
81								
82	Sub Total	359,773	368,200	265,597	267,266	400,300	447,921	
83								
84	MAINT.							
85								
86	Bch Property	1,021	500	395	667	1,000	1,000	
87	Buildings	46,251	70,000	25,027	43,333	65,000	45,000	F
88	Copier	1,253	1,300	364	700	1,300	1,300	
89	Rental Apt.	0	500	0	333	500	500	
90	Elevators	6,576	5,000	14,357	4,000	6,000	5,000	
91	Equipment	11,352	6,600	6,877	4,000	6,000	6,000	
92	Equip. Rprs.	3,455	5,000	1,121	3,333	5,000	4,000	
93	Fire Alarms	1,327	2,000	0	1,200	2,000	2,500	
94	Grounds	28,249	25,000	32,618	20,000	30,000	25,000	F
95	Housekeeping	7,885	8,000	6,235	5,333	8,000	8,000	
96	Pools	13,905	6,000	7,344	4,000	6,000	6,000	
97	Tennis Ct.	496	500	141	333	500	500	
98	Maint. Supply	0	0	1,552	2,000	3,000	3,000	
99								
100	Sub Total	121,770	130,400	96,031	89,232	134,300	107,800	
101								
102								

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103		2012	2012	To	Date	2013	2014	
104			Annual	Aug. 2013	Aug. 2013	Annual	Annual	
105		<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	
106								
107	ADMIN.							
108								
109	Accounting	6,950	7,000	7,265	7,300	7,300	7,500	
110	Advertising	0	500	0	133	200	150	
111	Bank Charges	66	400	110	133	200	200	
112	Condo Mailing	2,134	3,000	1,640	1,200	3,300	3,300	
113	Depreciation	21,600	21,600	14,400	14,400	21,600	21,850	
114	Dues/Admin.	1,598	2,000	1,511	1,000	1,500	1,800	
115	Legal	5,510	8,000	4,229	4,000	6,000	6,000	
116	Newsletter	1,467	1,000	1,733	800	1,200	1,800	
117	Office Supplies	4,522	4,000	2,998	2,667	4,000	4,500	
118	Telephone	8,477	9,000	6,378	8,000	12,000	11,000	
119	Rsvr Study	950	1,000	0	0	1,000	1,000	
120	UnColl. M.Fee	12,507	20,000	7,139	9,800	14,700	0	G
121	Misc.	391	0	0	0	0	0	
122								
123	Sub Total	66,172	77,500	47,403	49,433	73,000	59,100	
124								
125	MJR MAINT.							
126								
127	Misc Imprvmt	0	0	21,664	0	0	0	
128	Bldg Repair	3,142	0	2,000	0	0	0	
129	Carport Repair	1,823	10,000	0	6,667	10,000	1,000	H
130	Landscape	19,181	15,000	4,127	3,333	5,000	10,000	
131	Op. Committee	7,554	20,000	200	13,333	20,000	15,000	H
132								
133	Sub Total	31,700	45,000	27,991	23,333	35,000	26,000	
134								
135	Total Op Ex	\$1,556,104	\$1,659,900	\$1,109,002	\$1,130,065	\$1,682,400	\$1,689,621	
136								
137	Exc Revnu							
138	Ovr Exp	\$106,288*	0	(\$8,665)	(\$32,907)	(\$25,000)	\$170,000	I
139								
140	Trans to Cap							
141	Repl Res	0	0	0	0	\$(170,000)	\$(170,000)	I
142								
143	Net Inc(Loss)	\$106,288*	0	(\$8,665)	(\$32,907)	\$(195,000)		
144								
145	Apply							
146	Prior Year							
147	Acc. Surplus	0	0	0	0	\$195,000	0	
148								
149	Excess of							
150	Operating							
151	Revenue and							
152	Aplctn of							
153	Surplus over							
154	Operating							
155	Expenses	\$106,288*	0	(\$8,665)	(\$32,907)	0	0	
156				Page 3				
157	* Agrees to Audited Financial Statements for the year ended Dec. 31 2012							

LONGBOAT HARBOUR OWNERS ASSOCIATION, INC.

Estimated Monthly Maintenance Fees and **Partial** Capital Replacement Funding
Resulting From Proposed 2014 Budget
Compared to Current 2013 Monthly Maintenance Fees

	<u>Total</u> <u>2013</u>	2014 Maint. <u>Fees</u>	Maint. <u>Increase</u>	2014 Separate Part. Cap. <u>Repl. Rsv.</u>
Phase I (A – G)				
1 Bedroom	\$363	\$375	\$12	\$39
2 Bedroom Inside	\$428	\$442	\$14	\$46
2 Bedroom End	\$493	\$509	\$16	\$53
Phase II (H – N)				
1 Bedroom	\$367	\$379	\$12	\$40
2 Bedroom Inside	\$429	\$442	\$13	\$46
2 Bedroom End	\$490	\$506	\$16	\$53