

BEL MARE
AMENDED 2018 BUDGET PROPOSAL

November 17, 2017

As Bel Mare awaits the receipt of construction litigation settlement funds, the Bel Mare Board of Directors asked the Finance Committee to recommend an *Amended 2018 Budget* for the Board's consideration. Attached you will find the amended document with an adjusted 2018 quarterly fee amount. The Board will consider approval of the Amended Budget at the December 6, 2017 board meeting.

In recent years the quarterly fees have included \$843 per quarter, per owner, to pay the construction loan. Once the settlement money is received as reported at the October 28, 2017 board meeting, the loan will immediately be paid off. The timing of receiving the settlement monies and mailing the 2018 quarterly fee payment booklets to each owner did not correlate well at all. The Board approved the 2018 budget and quarterly fees on October 18th before mediation provided a settlement on October 26th. The 2018 coupon booklets were ordered on October 20th and you should receive them in your mailbox any day.

Amending the 2018 Budget allows the Board to fully fund Reserves at 100%, reduce quarterly fees and address a couple of budget issues. The Finance Committee is recommending adding a one-half time position to the maintenance department. That would increase our current one and one-half maintenance positions to two full-time employees. Two other minor alterations in the 2018 budget are to return the "contingency" line item to its usual \$10,000 amount (it was reduced to \$2,000 for 2018 in the approved budget) and correct the property management fee to its actual contract amount (figure was not available during the budget approval process).

Should the Owners approve the Amended 2018 Budget the quarterly fees will be reduced from \$3,299 to \$2,749. This reflects a \$550 per quarter reduction in fees.

Unfortunately, the first quarterly fee amount due January 1, 2018 will remain at \$3,299. The next three, quarter payments will be adjusted to address the reduction. The Board will be deciding at the December 6th meeting as to how the amounts will be charged and new payment booklets will be printed and mailed in mid-January.

The Board's legal counsel has recommended that the Owners vote again to approve ***Fully Funding the Reserves at 100%***. It is the Board's recommendation that Owners vote "YES" on the two questions on the proxy. As a result, it is important that you please complete the enclosed proxy, sign it and either hand-deliver or scan & email it to Tammy Goldman in Bel Mare's office. Please note: this is an additional document from the voting certification you recently received in the mail to vote for board candidates. Don't delay ~ simply complete the form and return it today. We appreciate your prompt return of your signed Proxy.

Sincerely,

Bev Reason, President

BEL MARE CONDOMINIUM ASSOCIATION, INC.

REVISED SECOND NOTICE OF ANNUAL MEETING AND ELECTION OF DIRECTORS

To All Members:

The **REVISED ANNUAL MEETING** of the **BEL MARE CONDOMINIUM ASSOCIATION, INC.** will be held at the following **DATE, TIME** and **LOCATION**:

- **DATE / TIME: December 6, 2017 at 5:00 PM**
- **LOCATION: Bel Mare Social Room, Building 1, 130 Riviera Dunes Way, Palmetto, FL 34221**

The purpose of the Annual Meeting is to elect directors and to conduct any other business as permitted by Florida Statutes and the governing documents of the Association. An identification of agenda items is as follows:

1. Call to order by the president
2. Proof of notice of the meeting
3. Call for proxies
4. Determination of a quorum
5. Open the meeting
6. Disposal of unapproved past membership meeting minutes
7. President's or Treasurer's Report
8. Election of new directors
 - Introduction of candidates for the board
 - Appointment of persons to assist in counting ballots
 - Last call for new director election ballots
 - Counting of election ballots
9. Unfinished business
10. New business
 - Vote to reinstate full funding of reserves
 - Vote to approve the amended 2018 budget
11. Announcement of new Board of Directors
12. Adjournment

A quorum of Association Members must be present, in person or by proxy, at the meeting in order for the business of the Association to be conducted. It is therefore **VERY IMPORTANT** that you either attend the meeting or provide a limited proxy in order for the Association to conduct business other than the election of the Directors.

The new Board of Directors will be announced at the meeting. The Organizational Meeting for the new Board will be held immediately following the Annual Meeting.

Mailed: November 21, 2017

BY ORDER OF THE BOARD OF DIRECTORS

BEL MARE CONDOMINIUM ASSOCIATION, INC.

BOARD OF DIRECTORS ORGANIZATIONAL MEETING NOTICE

NOTICE is hereby given that the Board of Directors is holding a meeting at the following **DATE**, **TIME** and **LOCATION**:

- **DATE / TIME:** December 6, 2017 immediately following the 5:00 PM Annual Meeting
- **LOCATION:** Bel Mare Social Room, Building 1, 130 Riviera Dunes Way, Palmetto, FL 34221

The purpose of the Board of Directors Organizational Meeting Meeting is to elect officers and to conduct any other business as permitted by Florida Statutes and the governing documents of the Association. An identification of agenda items is as follows:

1. Call to order
2. Proof of notice of the meeting
3. Determination of a quorum
4. Disposal of unapproved past meeting minutes
5. Appoint Officer positions
6. Unfinished business
7. New business
8. Adjournment

ALL OWNERS ARE WELCOME TO ATTEND

Mailed: November 21, 2017

BY ORDER OF THE BOARD OF DIRECTORS

BEL MARE CONDOMINIUM ASSOCIATION, INC.
REVISED PROXY

The undersigned owner(s) or designated voter of Address _____
in BEL MARE CONDOMINIUM ASSOCIATION, INC. hereby appoints the Secretary of the Association or _____ as my proxy-holder to **ATTEND** the Annual Membership Meeting of BEL MARE CONDOMINIUM ASSOCIATION, INC. to be held at 5:00 PM on December 6, 2017 at the BEL MARE SOCIAL ROOM, BUILDING 1, 130 RIVIERA DUNES WAY, PALMETTO, FL 34221. The proxy-holder named above has the authority to vote and act for me to the same extent that I would if personally present, with power of substitution, except that my proxy-holder's authority is limited as indicated below.

PROXY WILL ALSO BE USED TO ESTABLISH A QUORUM

LIMITED POWERS: For your vote to be counted on the following issues, you must indicate your preference in the blank(s) provided below.

I specifically authorize and instruct my proxy-holder to cast my vote in reference to the following matters as indicated below (see attached Notes of Explanation on Proxy Items):

1. YES NO Should the Florida Statute requirement for fully funded reserve budget for next fiscal year be reinstated for 2018?

2. YES NO Should the Proposed Amended 2018 Budget be approved?

WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

Signature of Owner or Designated Voter: _____

Signature of Co-Owner: _____

Date: _____

Print Name: _____

Print Name: _____

Date: _____

SUBSTITUTION OF PROXY-HOLDER

The undersigned, appointed as proxy-holder above, designates _____
to substitute for me in voting the proxy set forth above. (Print name)

Dated: _____

(Signature of Proxy-holder)

This proxy is revocable by the unit owner and is valid only for the meeting for which it is given and any lawful adjournment. In no event is the proxy valid for more than ninety (90) days from the date of the original meeting for which it was given.

BEL MARE CONDOMINIUM ASSOCIATION, INC.

VOTING BY PROXY

If you are unable to attend the Annual Meeting and wish to vote on all issues by proxy, please note the following information about proxies:

1. A proxy is for the purpose of establishing a quorum and for appointing another person to vote for you as you specifically direct (except for non-substantive items) in the event that you might not be able to attend the meeting. It must be signed by all owners or voting representative of the unit. **You must vote for the Limited Proxy questions in order for your vote to be counted and your proxy-holder must be present.**
2. The proxy should be submitted to the Association prior to the scheduled time of the meeting. It can be hand-delivered, either by you or your proxy, scanned and emailed to Belmarehoa@gmail.com, faxed to 941.721.7982, or mailed to the Association Office at 130 Riviera Dunes Way, Palmetto, FL 34221. You are encouraged to submit your proxy in advance of the meeting in order to avoid delay in registration.
3. If you appoint a proxy and later decide you will be able to attend the meeting in person, you may withdraw your proxy when you register at the meeting.
4. A proxy may be revoked in writing or superseded by a later proxy to another person. It may be assigned (substituted) by the person designated on the proxy to a third person if the person you designate as proxy decides that he or she will be unable to attend the meeting.

NOTES OF EXPLANATION ON PROXY ITEMS

1. **Should the Florida Statute requirement for fully funded reserve budget for next fiscal year be reinstated for 2018?**
A "YES" vote reinstates the full funding of the reserve funds for the next fiscal year of 2018.
2. **Should the Proposed Amended 2018 Budget be approved?**
A "YES" vote approves the Amended 2018 Proposed Budget. The approval of the Amended 2018 Budget will reduce the 2018 Assessment by \$550/Quarter/Unit. See enclosed proposed amended budget and cover letter for further information.

The Association will incur additional administrative costs if the meeting is rescheduled due to the failure to achieve a quorum. Therefore, please be sure to mail in your proxy, even if you plan to attend the meeting. Thank You.

**Bel Mare Condominium Association Inc.
Proposed Amended Operating Budget
January 1, 2018 to December 31, 2018**

	2017 Approved Budget @ 52% Reserve Replacement Funding	2018 Approved Budget @ 52% Reserve Replacement Funding	Proposed Amended 2018 Budget @ 100% Reserve Replacement Funding
REVENUE			
4010-00 Maint Fee Inc less debt service inc	\$ 1,163,653	\$ 1,217,940	\$ 1,363,309
4020-00 Operating Interest Income	-	-	-
4030-00 Late Fee Income	-	-	-
4047-00 Fines	-	-	-
4050-00 Guest Suite Income	10,000	10,000	10,000
4050-01 Guest Suite Expense	(10,000)	(10,000)	(10,000)
4057-00 Rental Income	-	-	-
5648-02 Assoc Unit Expense	-	-	-
4061-00 Application Fees	3,000	3,000	3,000
4061-01 Application Expense	(3,000)	(3,000)	(3,000)
4075-00 Gate Card, Keys, Fobs, Openers	1,000	1,000	1,000
4080-00 Misc. Income	1,000	1,000	1,000
8002-00 S/A Revenue	-	-	-
OPERATING REVENUE	<u>1,165,653</u>	<u>1,219,940</u>	<u>1,365,309</u>
4010-00 Debt Service Fee Income	418,200	418,200	-
TOTAL REVENUE	<u>1,583,853</u>	<u>1,638,140</u>	<u>1,365,309</u>
OPERATING EXPENSES			
PAYROLL EXPENSE			
5045-00 Janitorial	40,454	48,227	48,227
5045-01 Day Porter	16,640	-	-
5055-00 Salary Expenses	140,375	179,498	203,950
5064-00 Security	72,000	74,300	74,300
5065-00 Uniforms	500	400	400
TOTAL PAYROLL EXPENSE	<u>269,969</u>	<u>302,425</u>	<u>326,877</u>
ADMINISTRATIVE EXPENSE			
5105-00 CPA/Tax & Audit	6,077	6,800	6,800
5110-07 Master Association Fees	22,956	19,480	19,480
5115-00 Bad Debt Expense	12,428	-	-
5125-00 Division Fees	496	496	496
5135-00 Federal, State & Local Taxes	500	-	-
5140-00 Legal & Professional Fees	10,000	10,000	10,000
5145-00 Licenses, Permits & Fees	1,500	1,500	1,500
5147-04 Loan Payment - Interest (East Property)	15,000	23,000	23,000
5155-00 Office & Administrative	13,000	15,000	15,000
5175-00 Property Management Contract	31,080	37,958	30,500
TOTAL ADMINISTRATIVE EXPENSE	<u>113,037</u>	<u>114,234</u>	<u>106,776</u>
UTILITY EXPENSE			
5210-00 Electricity	87,244	78,750	78,750
5225-00 Gas	30,212	29,700	29,700
5230-00 Telephone/Cable	27,650	31,000	31,000
5251-00 Water & Sewer	68,000	100,800	100,800
5270-00 Trash/Waste Removal	12,763	10,000	10,000
TOTAL UTILITY EXPENSE	<u>225,869</u>	<u>250,250</u>	<u>250,250</u>

**Bel Mare Condominium Association Inc.
Proposed Amended Operating Budget
January 1, 2018 to December 31, 2018**

	2017 Approved Budget @ 52% Reserve Replacement Funding	2018 Approved Budget @ 52% Reserve Replacement Funding	Proposed Amended 2018 Budget @ 100% Reserve Replacement Funding
REPAIRS & MAINTENANCE			
5305-00 Air Conditioning Maint	12,780	14,000	14,000
5315-00 Aquatic / Lake Maintenance	2,220	2,460	2,460
5330-00 Building & Exterior	80,000	75,500	75,500
5346-02 Common Area Amenities	5,000	10,000	10,000
5360-00 Contingency	10,000	2,000	10,000
5375-00 Elevator	25,464	25,500	25,500
5380-05 Entry Access System	3,000	7,900	7,900
5403-00 Fire Alarm	17,465	17,500	17,500
5470-01 Maint & Janitorial Supplies	12,000	15,000	15,000
5500-00 Pest Control	4,500	8,100	8,100
5531-01 Pool & Spa Contract	15,150	15,225	15,225
5531-02 Pool & Spa Repairs	9,000	15,000	15,000
5660-00 Window Cleaning	9,460	8,300	8,300
5700-00 Irrigation	3,000	3,800	3,800
5720-00 Landscaping/Grounds	41,200	41,200	41,200
5740-00 Landscape - Extras	15,000	12,000	12,000
TOTAL REPAIRS & MAINTENANCE	265,239	273,485	281,485
INSURANCE			
6040-00 Prop & Liab	163,861	149,140	149,140
TOTAL INSURANCE	163,861	149,140	149,140
OPER EXPENSES BEFORE DEBT SERVICE			
5120-00 Debt Service-Int Exp on Current Loan	1,037,975	1,089,534	1,114,528
TOTAL OPERATING EXPENSES	1,247,975	1,299,534	1,114,528
RESERVE FUNDING (based on reserve study)			
7507-00 Amenities	10,400	15,600	30,000
7520-00 Buildings	12,480	6,240	12,000
7520-07 Building Interior - Furnishings	26,000	19,500	37,500
7547-01 Contingency	-	-	-
7588-00 Equipment	26,000	26,000	50,000
7628-03 Garage Doors	5,200	5,200	10,000
7655-05 Grounds	20,800	5,200	10,000
7680-00 Painting	7,298	26,000	50,000
7740-02 Roads	1,300	6,240	12,000
7750-03 Roofs	18,200	20,426	39,281
TOTAL RESERVE FUNDING	127,678	130,406	250,781
TOTAL OPERATING & RESERVE EXPENSES BEFORE PRIN PYMTS	\$ 1,375,653	\$ 1,429,940	\$ 1,365,309
2115-22 Notes Payable Popular-Principal Pymts	208,200	208,200	-
TOTAL OPERATING, RESERVE AND NOTE EXPENSES	1,583,853	1,638,140	1,365,309
QUARTERLY FEE PER UNIT (124 UNITS)	\$ 3,189.22	\$ 3,299	\$ 2,749