

**Bel Mare 2019 Proposed Budget  
October 17, 2019**

The attached proposed 2019 Bel Mare Budget will be considered for approval by the Owners at the Special Membership Meeting held on October 17, 2018. This proposed budget reflects Contribution to Reserves at 100% of the 9-1-2015 funding plan.

Primary changes in the budget are due to our buildings reaching 12 years in age. Therefore increases in several areas of building and equipment maintenance are now required. Fortunately, several measures taken this year by the Board will help offset these expenses thus reducing the negative impact on our quarterly fees. The attached proposed budget reflects the following primary areas of reductions and increases:

- Reduced Property Management expenses paid to Condominium Associates by consolidating our management staff "on-site".
- Reductions in previously supplied vendor services such as HVAC and Pool Service now handled "in-house" by our skilled maintenance staff.
- Building & Exterior, Elevators and Janitorial maintenance budgets require an increased scope of work.
- Building & Exterior budget also includes balcony & slider glass door repairs identified from the Association's lanai inspections earlier this year.

The attached Proposed 2019 Bel Mare Budget file shows the above changes result in a \$2949/quarter/unit fee (\$200 increase from the Approved Amended 2018 Budget).

It is the Board's recommendation that Owners vote "YES" on all proxy questions. In closing, please complete the enclosed proxy, sign it and either hand deliver or scan & email it to Tammy Goldman at Bel Mare's office as soon as possible. Prompt receipt of all Owners' proxies will eliminate the unnecessary expense of our administrative staff chasing them down.

We appreciate your prompt return of your signed proxy.

Respectfully,

Eric Krall, President

# BEL MARE CONDOMINIUM ASSOCIATION, INC.

## SPECIAL MEMBERSHIP MEETING NOTICE

### To All Members:

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

- **DATE / TIME: October 17, 2018 at 5:00 PM**
- **LOCATION: Bel Mare Social Room, Building 1, 130 Riviera Dunes Way, Palmetto, FL 34221**

The purpose of the Special Membership Meeting is to vote on reserves and to conduct 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. Unfinished business
9. New business
  - Vote to approve the 2019 Budget
  - Vote to carry over excess revenue for tax purposes
  - Vote to give Board authority to use reserve funds for emergencies and insurance
  - Vote to give Board authority to use reserves for another purpose
10. 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.

Mailed: October 3, 2018

BY ORDER OF THE BOARD OF DIRECTORS

**BEL MARE CONDOMINIUM ASSOCIATION, INC.**

**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 Special Membership Meeting of BEL MARE CONDOMINIUM ASSOCIATION, INC. to be held at 5:00 PM on October 17, 2018 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 proposed 2019 Budget be approved?
2.  YES  NO Should any excess membership income (excess of Association revenue over Association expenses) from this year be carried over to next year for Revenue Rule 70-604 purposes?
3.  YES  NO Should the Board of Directors have the authority to transfer any or all available reserve funds into the operating account of the Association for the purpose of: (a) payment of the cost of a casualty or other incident during the fiscal year which results in damage to Association property (Any insurance claim proceeds paid for repairs shall be used to reimburse the reserve funds), (b) payment of insurance premium, (i) due to unbudgeted insurance premium increases during the fiscal year; (ii) to prevent insurance cancellation or (iii) to avoid loan costs or other finance charges?
4. Are you in favor of giving the Board of Directors the authority to transfer reserves from one category to another reserve category (but not to an operating account), as funds are needed for capital expenditures and deferred maintenance?

YES – in favor of using reserves for another purpose, if deemed necessary by the Board.

NO – Against using reserves for another purpose.

**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 Special Membership 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, or faxed to 727.573.8549, or scanned and emailed to info@condominiumassociates.com, or mailed to Bel Mare Condominium Association, 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 proposed 2019 Budget be approved?**

*A "YES" vote approves the 2019 proposed budget. (See enclosed proposed budget).*

**2. Should any excess membership income (excess of Association revenue over Association expenses) from this year be carried over to next year for Revenue Rule 70-604 purposes?**

*A "YES" vote allows excess membership income for the current fiscal year to be carried over into the next fiscal year without being considered as taxable income to the Association.*

**3. Should the Board of Directors have the authority to transfer any or all available reserve funds into the operating account of the Association for the purpose of: (a) payment of the cost of a casualty or other incident during the fiscal year which results in damage to Association property (Any insurance claim proceeds paid for repairs shall be used to reimburse the reserve funds), (b) payment of insurance premium, (i) due to unbudgeted insurance premium increases during the fiscal year, (ii) to prevent insurance cancellation or (iii) to avoid loan costs or other finance charges?**

*A "YES" vote gives the Board of Directors the authority to transfer any or all available reserve funds into the operating account of the Association for the purpose of: (a) payment of the cost of a casualty or other incident during the fiscal year which results in damage to Association property (any insurance claim proceeds paid for repairs shall be used to reimburse the reserve funds), (b) payment of insurance premium if operating funds are not available.*

**4. Are you in favor of giving the Board of Directors the authority to transfer reserves from one category to another reserve category (but not to an operating account), as funds are needed for capital expenditures and deferred maintenance?**

*A "YES" vote gives the Board of Directors the authority to transfer reserves from one category to another reserve category, if funds are needed for capital expenditures and deferred maintenance.*

**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 Operating Budget**  
**January 1, 2019 to December 31, 2019**



	Approved Amended 2018 Budget @ 100% Reserve Replacement Funding	Proposed 2019 Budget @ 100% Reserve Replacement Funding
<b>REVENUE</b>		
4010-00 Maint Fee Inc less debt service inc	\$ 1,363,309	\$ 1,440,076
4020-00 Operating Interest Income		-
4030-00 Late Fee Income		-
4047-00 Fines		-
4050-00 Guest Suite Income	10,000	10,000
4050-01 Guest Suite Expense	(10,000)	(10,000)
4057-00 Rental Income		-
5648-02 Assoc Unit Expense		-
4061-00 Application Fees	3,000	3,000
4061-01 Application Expense	(3,000)	(3,000)
4075-00 Gate Card, Keys, Fobs, Openers	1,000	1,000
4080-00 Misc. Income	1,000	1,000
OPERATING REVENUE	1,365,309	1,442,076
4010-00 Debt Service Fee Income	-	22,775
<b>TOTAL REVENUE</b>	<b>1,365,309</b>	<b>1,464,851</b>
<b>OPERATING EXPENSES</b>		
<b>PAYROLL EXPENSE</b>		
5045-00 Janitorial	48,227	60,000
5055-00 Salary Expenses	203,950	215,324
5064-00 Security	74,300	78,750
5065-00 Uniforms	400	400
<b>TOTAL PAYROLL EXPENSE</b>	<b>326,877</b>	<b>354,474</b>
<b>ADMINISTRATIVE EXPENSE</b>		
5105-00 CPA/Tax & Audit	6,800	6,800
5110-07 Master Association Fees	19,480	19,480
5115-00 Bad Debt Expense	-	-
5125-00 Division Fees	496	496
5135-00 Federal, State & Local Taxes	-	-
5140-00 Legal & Professional Fees	10,000	14,000
5145-00 Licenses, Permits & Fees	1,500	1,325
5147-04 Loan Payment - Interest (East Property)	23,000	-
5155-00 Office & Administrative	15,000	20,000
5175-00 Property Management Contract	30,500	17,304
<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>106,776</b>	<b>79,405</b>
<b>UTILITY EXPENSE</b>		
5210-00 Electricity	78,750	78,750
5225-00 Gas	29,700	26,000
5230-00 Telephone/Cable	31,000	28,000
5251-00 Water & Sewer	100,800	110,000
5270-00 Trash/Waste Removal	10,000	10,000
<b>TOTAL UTILITY EXPENSE</b>	<b>250,250</b>	<b>252,750</b>

**Bel Mare Condominium Association Inc.**  
**Proposed Operating Budget**  
**January 1, 2019 to December 31, 2019**



	Approved Amended 2018 Budget @ 100% Reserve Replacement Funding	Proposed 2019 Budget @ 100% Reserve Replacement Funding
<b>REPAIRS &amp; MAINTENANCE</b>		
5305-00 Air Conditioning Maint	14,000	9,500
5315-00 Aquatic / Lake Maintenance	2,460	2,400
5330-00 Building & Exterior	75,500	135,000
5346-02 Common Area Amenities	10,000	10,000
5360-00 Contingency	10,000	10,000
5375-00 Elevator	25,500	39,600
5380-05 Entry Access System	7,900	7,900
5403-00 Fire Alarm	17,500	16,659
5470-01 Maint & Janitorial Supplies	15,000	30,000
5500-00 Pest Control	8,100	8,504
5531-01 Pool & Spa Contract	15,225	9,700
5531-02 Pool & Spa Repairs	15,000	3,000
5660-00 Window Cleaning	8,300	9,770
5700-00 Irrigation	3,800	3,800
5720-00 Landscaping/Grounds	41,200	42,000
5740-00 Landscape - Extras	12,000	12,000
<b>TOTAL REPAIRS &amp; MAINTENANCE</b>	<b>281,485</b>	<b>349,833</b>
<b>INSURANCE</b>		
6040-00 Prop & Liab	149,140	148,774
<b>TOTAL INSURANCE</b>	<b>149,140</b>	<b>148,774</b>
<b>OPER EXPENSES BEFORE DEBT SERVICE</b>		
5120-00 Debt Service-Int Exp on Current Loan	1,114,528	1,185,236
<b>TOTAL OPERATING EXPENSES</b>	<b>-</b>	<b>12,834</b>
	<b>1,114,528</b>	<b>1,198,070</b>
<b>RESERVE FUNDING (based on reserve study)</b>		
7507-00 Amenities	30,000	30,000
7520-00 Buildings	12,000	13,000
7520-07 Building Interior - Furnishings	37,500	40,000
7588-00 Equipment	50,000	50,000
7628-03 Garage Doors	10,000	10,000
7655-05 Grounds	10,000	10,840
7680-00 Painting	50,000	50,000
7740-02 Roads	12,000	12,000
7750-03 Roofs	39,281	41,000
<b>TOTAL RESERVE FUNDING</b>	<b>250,781</b>	<b>256,840</b>
<b>TOTAL OPERATING &amp; RESERVE EXPENSES BEFORE PRIN PYMTS</b>	<b>\$ 1,365,309</b>	<b>\$ 1,454,910</b>
2115-22 Notes Payable Popular-Principal Pymts		\$ 9,941
<b>TOTAL OPERATING, RESERVE AND NOTE EXPENSES</b>	<b>1,365,309</b>	<b>1,464,851</b>
<b>QUARTERLY FEE PER UNIT (124 UNITS)</b>	<b>\$ 2,749</b>	<b>\$ 2,949</b>

**Bel Mare Condominium Association, Inc.**  
**Proposed Replacement and Deferred Maintenance Schedule**  
**January 1, 2019 to December 31, 2019**

From Reserve Study Prepared Slider Engineering Group, Sarasota, Florida \*  
 Report Dated September 1, 2015

Manager - Please update amounts in blue.

Group Description	Remaining Estimated Useful Life (Yrs)	Balance at 7/31/18	Additional 2018 Funding	Additional Expected 2018 Expenditures	Estimated Balance at 01/01/2019	Estimated Replcmt Cost	Balance to Fund	Proposed (Note 1) Full Funding
7507-00 Amenities	2 TO 5	99,499	7,500	91,000	15,999	149,000	133,001	30,000
7520-00 Buildings- (Window System, Front Entry)	6 TO 29	39,014	3,000	-	42,014	188,000	145,986	13,000
7520-07 Building Interior - Furnishings		33,740	9,375	-	43,115	424,200	381,085	40,000
7588-00 Contingency		10,960	-	-	10,960	-	(10,960)	-
7588-00 Equipment	1 to 34	303,833	12,500	-	316,333	1,069,700	753,367	50,000
7628-03 Garage Doors-not on reserve study		19,233	2,500	-	21,733	638,100	(21,733)	10,000
7655-05 Grounds	17 to 24	150,021	2,500	-	152,521	485,579	485,579	10,840
7680-00 Painting	3	270,239	12,500	-	282,739	312,750	30,011	50,000
7740-02 Roads	13	25,881	3,000	-	28,881	35,000	6,119	12,000
7750-03 Roof Replacement	8 to 28	205,479	9,820	-	215,299	549,475	334,176	41,000
Reserve Interest		28,555	1,500	-	30,055	-	-	-
		\$ 1,186,454	\$ 64,195	\$ 91,000	\$ 1,159,649	\$ 3,366,225	\$ 2,236,631	\$ 256,840

**PARTIAL FUNDING**  
 RESERVES ARE NOT FULLY FUNDED. 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.