



C/O Majestic Bay Townhome Condo Association

**COVER LETTER
2019 BUDGET BOD MEETING**

Majestic Bay would like to invite all members of the association to our next meeting held on December 19th 2018, at 6:30pm. This meeting will be held at the Solutions office located at 2235 N Courtenay Pkwy suite 1, Merritt island FL 32953; at their sister company conference room, Remax Solutions located on the first floor.

We will be reviewing some very important information concerning our budget including expenses, reserves, and insurance deductibles. The insurance deductibles need to be explained thoroughly, and owners need to be aware of implications that could be a share cost and/or future assessments. We appreciate all association member cooperation.

Sincerely,

Rachel DeCamp, LCAM
2235 N Courtenay Pkwy Suite A3
Merritt Island, FL 32953
solutionswithrachel@gmail.com
DIRECT:(321)684-7793

MAJESTIC BAY TOWNHOMES CONDOMINIUM, INC.
137 Majestic Bay Ave.
Cape Canaveral, FL 32920

BOARD OF DIRECTORS 2019 PROPOSED ADOPTION BUDGET MEETING

Wednesday December 19th, 2018
6:30pm

LOCATED AT
Solutions Property Management
2235 N Courtenay Pkwy Suite A
Merritt Island FL 32953

AGENDA

- A. CALL TO ORDER**
- B. PROOF OF DULY NOTICED MEETING**
- C. CONSTITUION OF A QUORUM**
- D. APPROVAL OF MINUTES FROM 11/28/18**
- E. TREASURER'S REPORT**
- F. BUDGET 2019**
- G. ADJOURNMENT**

Date: 12/5/18

By Rachel DeCamp, LCAM Solutions Property Management

MAJESTIC BAY TOWNHOME CONDO ASSOCIATION
Proposed 2019 Operating Budget

	Proposed 2019 Budget	
INCOME:		
Maintenance Fees	\$52,920	\$315.00/mo x 14 units x 12 months
Interest Income		
Misc Income		

TOTAL: \$52,920

EXPENSES:

(a)	Management Fee	4,500	
	Office Expense	140	
	Insurance	16,200	
(b)	Licenses and Permits	160	
c	Pool Service	2,160	
	Pool Repairs	350	
	Electric	1,020	
	Water and Sewer	420	
(d)	Lawn Service	5,720	
(e)	Pest Control	1,950	
	Irrigation Maint.	210	
	Bldg Maint/Supplies	4,000	Increased from \$1,200
(f)	Termite Bond	1,360	
	Professional Fees	300	
	Accounting	550	
(g)	Mulch	800	
(h)	Tree Trimming	1,300	
(i)	Reserve Study	1,000	New
(j)	Annual Roof Inspection	500	New
TOTAL:		42,640	

BALANCE REMAINING FOR NOV & DEC:

RESERVES: \$10,280 (see 2019 Reserves Tab)

TOTAL 2019 BUDGET \$52,920

Maintenance Fee Breakdown per Unit (14 units):

	Monthly	Annually
Operating	\$ 253.81	\$ 3,045.71
Reserves	\$ 61.19	\$ 734.25
TOTAL FEES	\$ 315.00	\$ 3,779.96

NOTES:

- (a) Added \$300 for annual accounting fee billed in December by Property Manager.
- (b) Combined State Condo Fee of \$56 and County Pool License \$100 together.
- c Unanimously decided to stay with Stanton Pools (\$180/month)
- (d) Lawns By Scott proposed to raise their monthly fee from \$410 to \$510 effective May 2019. Budget reflects 4 months at \$410 and 8 months at \$510. This may change depending on Property Manager's negotiations with the vendor.
- (e) Reflects current invoices being paid to Pro Staff of \$135 and \$187 every other month.
 $\$135 + \$187 = \$322 \times 6 \text{ months} = \$1,932.$
- (f) Reflects invoices paid in 2018 to Apex for termite bond renewals and adding pool cabana for \$100. Need to confirm this was resolved by Property Manager.
- (g) Board needs to decide what to do about mulch once the final budget figures come in.
- (h) Reflect the actual costs paid the past few years.
- (i) New item to the budget. Amount to be budgeted came from Property Manager's research.
- (j) New item added to the budget.
- (k) Contingency fund eliminated. Decided to increase Building Maintenance for repairs.

**MAJESTIC BAY TOWNHOMES
2019 RESERVES**

Description	Replacement Cost	Useful Life In Years	Remaining Life In Years	**		YE 2019 Balance	Monthly Funding	Annual Funding
				YE 2018 Balance	Remaining Balance			
Roof Replacement	\$ 80,000	20	8	\$ 47,689	\$ 32,311	\$ 51,689	\$ 333	\$ 4,000
Building Repainting	\$ 16,000	10	7	\$ 16,000	\$ -	\$ 16,000	\$ -	\$ -
Pavement Resurfacing	\$ 8,200	10	7	\$ 8,200	\$ -	\$ 8,200	\$ -	\$ -
Pool (resurfacing)	\$ 15,000	20	6	\$ 15,000	\$ -	\$ 15,000	\$ -	\$ -
Perimeter Fencing	\$ 75,000	10	6	\$ 37,323	\$ 37,677	\$ 43,603	\$ 523	\$ 6,280
Interest:				\$ 96.06				
TOTALS:	\$ 194,200			\$ 124,308	\$ 69,988	\$ 134,492	\$ 857	\$ 10,280

Divided by 14 units

Disclaimer: While Treasurer was preparing the proposed budget for 2019, it was discovered that the previous board approved the Reserve Budget utilizing elevated figures to represent the Current Balance in Reserves beginning Jan 1, 2018. The report shows a total in the Reserves Account at that time of \$111,125; when in reality, the balance was only \$109,339. There was a Schedule of Replacement Fund report prepared by the previous Property Manager dated 1/10/2018 for the period ending Dec 31, 2017. This Schedule does accurately reflect the Balance in Reserves as of Jan 1, 2018. This Treasurer used those figures for the beginning balance and added the annual contributions made (to include Nov & Dec 2018) to reflect the YE 2018 Balance.

** Ending balance Dec 31, 2017 in Reserves was \$109,339.
 \$1,284 deposited each month = \$15,408.
 \$109,339 + \$15,408 + \$96 Interest = \$124,843.

Roof - Board feels the replacement cost figure is too low. Can-Am Roofing, Rockledge FL, conducted roof inspection 11-15-18 and recommended roof replacement under thunderstorm/wind storm damage. Board chose to leave the replacement cost at \$80,000 and reduce the years of life left to 2 years. \$80,000 - \$47,689 = \$32,311. Fund this balance over two years (\$16,155.50/yr). This option continues funding 1/20th of the replacement cost for a roof valued at \$80,000.

Building Repainting was last completed in January 2015 for a cost of \$7,849. Budget set at twice this amount.

Pavement Resurfacing was last completed in September 2015 for a cost of \$4,098. Budget set at twice this amount.

Total of YE reserves for painting and road resurfacing is \$28,143. We only need \$24,200 for both projects (surplus of \$3,943).

Pool Resurfacing cost was reduced by the Board. (surplus of \$9,080).

Hurricane Deductible is a new item to the schedule as of 2019. I recommend we do not fund this item and present the topic to the homeowners at the budget meeting. Should a need arise during 2019 that the hurricane deductible would need to be funded, a special assessment would be levied on the homeowners. This will be explained in detail to the homeowners when the budget is sent to them.

Fencing - Cost was increased due to current market conditions. The surplus funds from repainting, pavement resurfacing and pool resurfacing was moved to Perimeter fencing. The Building Maintenance operating expense account was increased to cover fence repairs for now. Total surplus transferred to fencing is \$13,023.