

Budget Assumptions for 2019 Operating Budget
Westport Bay Homeowners Association, Inc.

INCOME

Assessments

The total expense budget for 2019 is \$15,660 and based upon 58 homeowners the annual assessment will be \$270. We have not budgeted any collection loss for the year.

Miscellaneous Income

This income is budgeted based upon the collection of late fees which is charged at 18% interest from the due date until the date paid and includes the collection of NSF fees, money for copies and any other miscellaneous type income.

EXPENSES

Administrative

Insurance

The current insurance coverage renewal date is August 23 and the policy is currently written through Southern-Owners Insurance Company for General Liability for the lake, Officers & Directors Errors and Omissions in the amount of \$1,000,000 with a \$2,000,000 aggregate limit and a fidelity bond in the amount of \$100,000. A separate policy with Lloyd's of London provides insurance for the wall (\$50,000) and each sign at \$10,000 each, with a \$1,000 deductible at a cost of \$723.94 in 2018.

Legal/Professional Fee

Anticipated cost for the filing of Form 1120H due to the IRS in March, filing of liens and/or letters from the attorney to homeowners concerning violations that may become necessary.

Management Fee

The contract with Duval Realty, Inc. requires a monthly payment in the amount of \$300 which is a \$25 increase from the previous years.

Miscellaneous Administrative

This category includes postage, printing and/or office supplies that are not furnished by Duval Realty, Inc. for notices and mailings to the homeowners as required throughout the year and other miscellaneous expenses that are not specifically attributable to any of the other "Administrative" categories as well as the required licenses and fees to the State of Florida for the annual corporation renewal due in March.

Utilities

Electricity

Based upon the prior cost of electricity which includes lighting of the entrance signs and the irrigation system.

Irrigation

The estimated cost based upon what should be the cost of irrigation for the entrance and along the fence line. The basic charges without usage is \$46.21. Tier 1 consumption rate is \$3.44 up to 14,000 gallons of water

Services & Maintenance

Lake Maintenance

Monthly payment per the contract with Aquatic Systems, Inc. for the routine treatment of the lake/retention pond. This contract renews each year on October 1. We also have semi-annual inspection of the aerator system which is due in April and October.

Landscaping

Included is the routine mowing of the area between the wall and Collins Road, the entrance and around the lake/retention pond in the back of the property. We have also included minor repairs to the irrigation system and fertilization and pest control program for the shrubbery as well as new plants for the entrance signs in the spring depending on the road construction.

Miscellaneous Repairs

This includes any repair that is not specifically attributable to any of the above "Repair and Maintenance" categories.