

From: Jane Somers [mailto:jfsomers@tampabay.rr.com]
Sent: Saturday, November 10, 2012 6:04 PM
Subject: 2013 Budget for Eastwood Shores 4

Hello all,

We've been working hard on the budget for next year, and I have good news for all of us – **we did not need to increase our monthly fees**. However, before I go into the reasons why we were able to do that, let me stress something critical to all of you.

If we do not receive enough proxies for our budget approval meeting on November 27th, the State will require us to fully fund our reserve accounts instead of gradually funding them, and that means our monthly fees will increase by approximately \$64 a month for the A units and approximately \$71 a month for the B, C, and D units.

This means it is critical that you send in your proxies for this meeting. On the proxy, there are two items that require your vote: first is whether or not to waive fully funding our reserve accounts (voting **yes** to waive fully funding the accounts will help our monthly fees stay as they are now); second is to roll over any excess operating funds from 2012 (voting **yes** to roll over these funds helps us build up savings and makes us financially stronger).

The budget package is in the mail with a copy of the proposed budget, your proxy, and an envelope for you to mail it in.

You can also fax your proxy to Phil Colettis at Ameri-Tech at 727-723-1101 or email it to him at pcolettis@ameritechmail.com or to me at jfsomers@tampabay.rr.com.

We cannot afford the risk of not receiving enough proxies. So please, send yours in.

Now, how were we able to keep the fees the same without an increase?

- First, Association 5 had told us last year they were planning some substantial, expensive renovations to the pool, and our share of the expense would be 46%, so we knew we'd need to start building our pool reserve to be prepared when 5 decided to have the work done. Since then, 5 has decided to extensively scale back the work and only have the pool resurfaced. Our share of that work will be approximately \$5000-\$6000. Sometime in the future, they will look at the decking, and we're planning for that. However, this scaling back means we do not need to budget as high as we were for our pool reserve. By the end of this year, we will have close to \$20,000 in this reserve.
- Next, we are currently fully funded for our painting and we don't need to paint yet, so we can scale back adding to that reserve.
- Since we just paved last year and only need to seal, which was scheduled within 1 – 2 years after paving, we can also scale back funding to our paving reserve.
- We're in the process as I write this of replacing 2 roofs, which means we have 3 more to do. We had the roofs examined recently and were told these last 3 are still in good shape, meaning we can wait a little while to replace them if we need to. However, we are funding our roofing reserve to replace at least 1 roof this next year.
- Additionally, what really puts us in good financial shape is that we have approximately \$37,000 in an account that is unspent moneys from previous years. We also have over \$14,000 in an interest reserve. Also, we have over \$3000 in an infrastructure repairs reserve account. Any of these moneys can be spent if needed or in an emergency. Of course, we don't want to use the previous years and interest funds, but they are there if the need arises.

So this is it in a nutshell. We had some very experienced people work on our budget to make sure we're covered and to help us all out by keeping our monthly fees the same. I'm very grateful to those people and believe you are too.

However, let's remember their work will have been in vain if you don't send in your proxies. I know I don't want to pay \$71 more each month when it can be avoided by simply signing and sending in a proxy.

If you have questions about the budget, feel free to contact us or to attend the meeting on November 27.

Thanks,
Jane Somers
President, EWS 4