

The Island Club Association, Inc.

Mailing Address:
1501 SE 15 Street - Office
Ft. Lauderdale, FL 33316-2787
www.theislandclub.org

A Townhouse Condominium

MINUTES OF THE 2019 ANNUAL BUDGET MEETING HELD DECEMBER 20, 2018

YOUR NEW MONTHLY MAINTENANCE/RESERVES ASSESSMENT IS \$500 PER UNIT PER MONTH STARTING WITH YOUR JANUARY 1ST 2019 PAYMENT.

The meeting was called to order at 7:19PM. In attendance were Board Members Mark Aument, Dennis Farretta, and Rocky Stone.

Notice of meeting was confirmed and a quorum of members was met.

The mailed Proposed 2018 Budget was verified for accuracy.

The Proposed Budget, as distributed with the meeting notice, calls for a decrease in Maintenance Assessment from \$465 to \$420 and an increase in the Reserve Assessment from \$35 to \$80.

It should be pointed out that some factors allow for this decrease in the monies needed for day to day operation of the Association as follows: We are once again collecting maintenance from all 20 units; We negotiated a decrease in Insurance (our greatest expense) of approximately 25%; The net gain from Hurricane Insurance payment plus other minor reductions and despite the overage in Legal expenses allow us to reduce the Maintenance Assessment and put more than double into the Reserves and not raise the total monthly Amount.

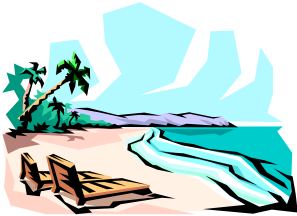
As a part of this 2019 Budget how Reserves are allocated to the Reserve Replacement, Reserve Other, Reserve Dock and Reserve Roof is also defined. This will be detailed and voted on at the 2019 Annual Membership Meeting (as always).

Accordingly, the Board Voted to approve the Proposed 2019 Budget (as distributed) with the maintenance set at \$420 and with a \$80 Reserve Assessment (providing that the Reserves are approved at the Annual Membership Meeting) for a total fee of \$500 per unit per month.

Meeting adjourned at 7:22PM.

Respectfully,
Your 2018 Board of Directors

Published by Mark Aument, Secretary



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ANNUAL BUDGET MEETING NOTICE:

ATTENTION ALL ISLAND CLUB OWNERS!

The Board of Directors Annual Budget Meeting will be held on Thursday the 20th of December 2018 at 7:00 PM in the Island Club east hallway!

At this Budget Meeting the Board will present and vote on the proposed 2019 Annual Budget. The presentation will be a review of the actual expenditures of 2018 and the anticipated expenditures of 2019. We will review the Proposed Budget as well as the Full Fund version (both attached) for clarification.

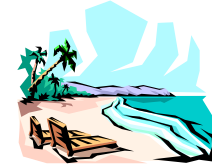
Due to a number of expense and income changes accomplished over the last year the Board is able to decrease the current Maintenance Assessment needed and increase the Reserves Assessment and (yet again) keep the total assessment to each unit the same amount of \$500 per month. The current (2018) Maintenance Assessment is \$465 a month and can be decreased by \$45 to \$420 a month thus allowing the Reserves Assessment to be increased from the current \$35 Reserve Assessment to \$80 per month. Of course the Reserves Assessment is dependent on the passage, at the Annual Membership Meeting, of the Establish Reserves Resolution, as is customary.

Given the Proposed Budget is passed by the Board, the \$500 per month per unit will continue with your January 1st 2019 payment,

The Board suggests you attend this meeting so you are completely aware of the Associations financial status.

Your 2018 Board of Directors

The Island Club Association, Inc.



BOARD'S PROPOSED 2019 BUDGET

	2019 BUDGET	
	Annual	Monthly/Unit
REVENUE:		
Association Dues	\$ 120,000.00	\$ 500.00
	\$ -	\$ -
	\$ -	\$ -
	\$ -	\$ -
Estimated Dock Fees	\$ 5,000.00	\$ -
	\$ -	\$ -
Total Revenue:	\$ 125,000.00	\$ 500.00
OPERATING EXPENSES:		
Insurance	\$ 35,000.00	\$ 145.83
Water	\$ 15,000.00	\$ 62.50
Electric	\$ 5,000.00	\$ 20.83
Fire Line	\$ 2,000.00	\$ 8.33
Property Maintenance	\$ 15,000.00	\$ 62.50
A/C Maintenance	\$ 2,000.00	\$ 8.33
Pool Maintenance	\$ 2,100.00	\$ 8.75
Lawn Care	\$ 5,000.00	\$ 20.83
Critter Control	\$ 4,000.00	\$ 16.67
Dumpster/Waste Collection	\$ 5,000.00	\$ 20.83
Recycling	\$ 1,000.00	\$ 4.17
Legal Fee's	\$ 4,000.00	\$ 16.67
Dock Maintenance	\$ -	\$ -
Office Supplies & Services	\$ 100.00	\$ 0.42
Storage	\$ 600.00	\$ 2.50
Bank Fees	\$ 100.00	\$ 0.42
Postage & Delivery	\$ 100.00	\$ 0.42
Taxes & Licenses	\$ 75.00	\$ 0.31
Professional Fees	\$ -	\$ -
Property Management	\$ 4,800.00	\$ 20.00
Operating Expenses:	\$ 100,875.00	\$ 420.31
RESERVE:		
Insurance Deductible	\$ -	\$ -
Roof	\$ 4,000.00	\$ 16.67
Asphalt Parking	\$ 750.00	\$ 3.13
Painting - exterior	\$ 1,600.00	\$ 6.67
Air Conditioning	\$ 8,000.00	\$ 33.33
Fencing	\$ 1,600.00	\$ 6.67
Dock	\$ -	\$ -
Seawall (Cap & Batter)	\$ 1,033.00	\$ 4.30
Pool - resurfacing	\$ 1,142.86	\$ 4.76
Walkway (sidewalks & cover)	\$ 1,000.00	\$ 4.17
	\$ -	\$ -
Reserve Total:	\$ 18,125.86	\$ 79.69
	\$ -	\$ -
Total Expenses + Reserve:	\$ 119,000.86	\$ 500.00
	\$ -	\$ -
Net Income:	\$ 999.14	\$ (0.00)

Monthly Operating/Unit: \$ 420.31
 Monthly Reserves/Unit: \$ 79.69
 Monthly Total Dues: \$ 500.00

plus dock fees: \$ 21.40

\$ 521.40

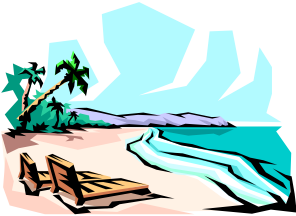
% TO RESERVES: 19%

Current Reserve Amount: \$ 64,938.00

2019 Reserve: \$ 18,125.86

Project end of 2019 Reserve Amount: \$ 83,063.86

Dock Reserve to be funded by Dock Fees



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ANNUAL BUDGET MEETING

FULLY FUNDED RESERVES ATTACHMENT DESCRIPTION

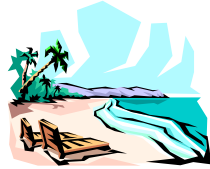
ATTENTION ALL ISLAND CLUB OWNERS!

The Association is required by FL State Statute to establish reserves for roofing, painting, paving, and any other deferred-maintenance or capital-expenditure items expected to cost more than \$10,000.

While a Fully Funded Reserve schedule should be included in the Proposed Budget, the Association may waive the requirement that any reserves be funded or reduce the amount of that funding. This is done via a Resolution such as been the case for many years to date.

With that in mind the Board has developed a Fully Funded Reserves schedule (attached) and the estimate to fully fund the Reserves would be approximately \$434 per month per unit. Adding a \$434 Reserves assessment to the \$420 Maintenance assessment would result in the total monthly assessment being \$854 per month per unit.

Thus the board is recommending that the Fully Funded Reserves be waived and that the Reserves Assessment be set at \$80 per month per unit, making for a total Assessment for each unit of \$500 per month.



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RESERVE ANALYSIS

FULLY FUNDED RESERVES

Number of Units: 20

Reserve Items:	Useful Life	Years in Use	Remaining Life	Replacement Cost	Annual Payment Amount *	Required Reserves **	Actual Reserves	Adequate/ (Shortage)	Percent Funded	Amount to Fund Replacement	Annual Replacement Costs
Insurance Deductible	5	5	0	\$ 10,000.00	\$ 2,000.00	\$ 10,000.00	\$ 10,000.00	\$0.00	100.00%	\$ -	
Roof	30	1	29	\$ 250,000.00	\$ 8,333.33	\$ 8,333.33	\$ 66.00	(\$8,267.33)	0.79%	\$ 249,934.00	\$ 8,618.41
Asphalt Parking	20	5	15	\$ 30,000.00	\$ 1,500.00	\$ 7,500.00	\$ 10,000.00	\$2,500.00	133.33%	\$ 20,000.00	\$ 1,333.33
Painting - exterior	15	7	8	\$ 60,000.00	\$ 4,000.00	\$ 28,000.00	\$ 10,800.00	(\$17,200.00)	38.57%	\$ 49,200.00	\$ 6,150.00
Air Conditioning	25	24	1	\$ 70,000.00	\$ 2,800.00	\$ 67,200.00	\$ 20,000.00	(\$47,200.00)	29.76%	\$ 50,000.00	\$ 50,000.00
Fencing	20	6	14	\$ 70,000.00	\$ 3,500.00	\$ 21,000.00	\$ 6,823.00	(\$14,177.00)	32.49%	\$ 63,177.00	\$ 4,512.64
Dock	25	4	21	\$ 150,000.00	\$ 6,000.00	\$ 24,000.00	\$ 3,624.00	(\$20,376.00)	15.10%	\$ 146,376.00	\$ 6,970.29
Seawall (Cap & Batter)	30	5	25	\$ 60,000.00	\$ 2,000.00	\$ 10,000.00	\$ 3,625.00	(\$6,375.00)	36.25%	\$ 56,375.00	\$ 2,255.00
Pool - resurfacing	15	8	7	\$ 100,000.00	\$ 6,666.67	\$ 53,333.33	\$ -	(\$53,333.33)	0.00%	\$ 100,000.00	\$ 14,285.71
Walkway (sidewalks & cover)	40	20	20	\$ 200,000.00	\$ 5,000.00	\$ 100,000.00	\$ -	(\$100,000.00)	0.00%	\$ 200,000.00	\$ 10,000.00
			Total:	\$ 1,000,000.00	\$ 41,800.00	\$ 329,366.67	\$ 64,938.00	(\$264,428.67)	19.72%	\$ 935,062.00	\$ 104,125.39

Monthly Reserves needed to become 100% Funded

\$ 433.86