

November 2022

To: Harbour Master HOA Unit Owner Members

Re: **2023 OPERATING BUDGET & MAINTENANCE FEE INFORMATION**

Dear HOA Members:

Enclosed is a copy of the 2023 Harbour Master approved Operating Budget. Following considerable review, analysis, and discussion, your Board of Directors approved and adopted the 2023 Operating Budget of \$676,837. This is an increase of \$51,640 from the 2022 budget. \$15,185 of the budget increase is for increased reserve account funding to maintain full funding of the reserve accounts (capital, seawall, dredging). The remaining \$36,455 of the increased budget is for increases in operating expenses for routine goods and services at the Harbour. The most significant increases are for landscaping and snow removal. Due to these significant increases in cost of goods and services to operate and maintain our community, our operational budget needs to be increased.

Accordingly, the monthly maintenance assessment for the master HOA will increase to \$295.00 in 2023. The increase of 8.4% is equal to an annualized increase of just 2.8% per year since the last increase three years ago in 2020. **You can review the maintenance fee history on the back of this letter.**

As noted above, the increase in reserve funding for 2023 will result in the three reserve accounts being fully funded. Based on the fully funding status, an owner vote to waive full funding in 2023 is not needed.

The Master HOA fees will continue to be payable on a MONTHLY basis in 2023. Please review the following information:

Please remember that your monthly payment is due on the 1st of each month and is considered late if not received by the 10th of the month. Payments received after the 10th will be assessed the Association's Late Payment Fee of \$25.00. If you wish to pay by check, please mail your payment early enough to be received on time. The Association will not waive late fees due to postal delays. If you are concerned about mailing time, please consider enrolling in the monthly automatic payment program.

Coupons will be mailed under separate cover to those owners not on the auto debit program.

Please note that this process is for the Harbour Master HOA Association fees ONLY.

YOUR CONDOMINIUM PHASE WILL PROVIDE YOU WITH SEPARATE INSTRUCTIONS REGARDING YOUR 2023 BUDGET, ASSESSMENT AND PAYMENT INSTRUCTIONS.

Please contact a Master HOA Board member or call our office if you have any questions.

Sincerely,

Lawrence Community Management Group

Managing Agent for the Harbour Master Homeowners' Association, Inc.

Enclosure - 2023 Budget Summary

**Harbour Master HOA
Maintenance Fee History**

Year	Monthly Fee	Incr. \$	Incr. %	Incr. % Avg./Yr.	Years at Same Rate
2014	\$227.11				
2015	\$227.11	\$0.00	0.00%		
2016	\$227.11	\$0.00	0.00%		
2017	\$227.11	\$0.00	0.00%		
2018	\$227.11	\$0.00	0.00%		
2019	\$227.11	\$0.00	0.00%		
2020	\$272.11	\$45.00	19.81%	3.30%	6
2021	\$272.11	\$0.00	0.00%		
2022	\$272.11	\$0.00	0.00%		
2023	\$295.00	\$20.89	7.68%	2.56%	3

**The HARBOUR MASTER HOMEOWNERS ASSOCIATION
2023 APPROVED BUDGET SUMMARIES**

2023 OPERATING BUDGET

Income	Amount
Maintenance Fee Assessments	\$ 411,937.00
Reserve Contribution Component	253,583.00
Other Income	<u>11,317.00</u>
Total Operating Income	<u>\$ 676,837.00</u>
Expenses	
Utility Expenses (Gas, Electric, Water, Internet, Trash)	\$63,783.00
General Repairs, Maintenance & Cleaning	19,649.00
Pool & Clubhouse Operations	13,386.00
Grounds Services - Landscaping, Fertilization, Mulching	133,340.00
Grounds Services – Snow Removal	38,954.00
Vehicle Expenses (Onsite maintenance truck)	1,233.00
Payroll and Related Expenses	97,536.00
Office Expense & Miscellaneous Administrative Expenses	6,548.00
Professional Expenses & Fees (Legal, Accounting, Management)	27,025.00
Insurance (Common Grounds and Clubhouse & Pools)	16,033.00
Real Estate Taxes	250.00
Reserve Account Funding Allocation	167,000.00
Dredging Account Funding Allocation	26,100.00
Seawall Account Funding Allocation	<u>66,000.00</u>
Total Operating Expenses	<u>\$ 676,837.00</u>
Operating Gain/Loss	\$ -0-

2023 RESERVE & RELATED CAPITAL ACCOUNTS BUDGET

Income	
Reserve Account Funding Allocation	\$167,000.00
Dredging Account Funding Allocation	26,100.00
Seawall Account Funding Allocation	66,000.00
Interest	<u>2,400.00</u>
Total Reserve & Related Capital Account Income	<u>\$261,500.00</u>
Expenses	
Pier Repair Project	60,000.00
Pool Furniture/Furnishings	13,000.00
Tennis/Basketball Court Renovation Project	<u>30,000.00</u>
Total Reserve Project Expenses	<u>\$ 103,000.00</u>
Net 2023 Reserve & Related Capital Account Increase/ (Decrease)	<u>\$ 158,500.00</u>