

The 2024 budget including detailed explanation is below. **The Board is recommending a partially funded budget for 2024** which fully funds our annual operations and partially funds the reserves.

If we do not receive enough YES votes, we will have to adopt a fully funded budget and monthly fees will be the amounts reflected in the “NO” box.

Proposed 2024 Budget								
Proposed 2024 Maintenance Fees with partial (37%) funding								
	2024 proposed	2023-24 increase	2023 Budget	2023-22 increase	2022 Budget	2022-21 increase	2021 Budget	YES
Operating	1,199,058	2.6%	1,168,716	44.2% *	810,266 *	17.6%	689,224	
Spectrum	120,078	5.0%	114,360	6.5%	107,415	73.1%	62,046	
Reserve	500,000	17.5%	425,500	0.0%	425,500	0.0%	425,500	
	1,819,136	6.5%	1,708,576	27.2%	1,343,181	14.1%	1,176,788	
			* plus \$140,546 ins assessment		* plus \$90k ins assessment			
	1 Bdr		2Bdr		3Bdr		Penthouse	
Factors:	0.0035864		0.0052792		0.0071727		0.0088656	
2021	352.00		518.00		703.00		869.00	
2022 - Monthly Assessment	375.00		551.00		749.00		926.00	
2022 - Spectrum	42.00		42.00		42.00		84.00	
2022 - Total	417.00		593.00		791.00		1,010.00	
change from 2021-2022	7%		6%		7%		7%	
2023 - Monthly Assessment	434.00		640.00		869.00		1,074.00	
2023 - Spectrum	45.00		45.00		45.00		90.00	
2023 - Total	479.00		685.00		914.00		1,164.00	
change from 2022-2023	15%		16%		16%		15%	
2024 - Monthly Assessment	508.00		747.00		1,016.00		1,255.00	
2024 - Spectrum	47.00		47.00		47.00		94.00	
2024 - Total	555.00		794.00		1,063.00		1,349.00	
change from 2023-24	15.9%		15.9%		16.3%		15.9%	
Diff per month	76.00		109.00		149.00		185.00	
Diff per year	912.00		1,308.00		1,788.00		2,220.00	
Proposed 2024 Maintenance Fees with full funding (estimated pending 2024 studies)								
	2024 proposed	2023-24 increase	2023 Budget	2023-22 increase	2022 Budget	2022-21 increase	2021 Budget	No
Operating	1,199,058	2.6%	1,168,716	44.2% *	810,266 *	17.6%	689,224	
Spectrum	120,078	5.0%	114,360	6.5%	107,415	73.1%	62,046	
Reserve	1,368,467	14.2%	1,198,536	-24.3%	1,582,844	44.9%	1,092,100	
	2,687,603	8.3%	2,481,612	-0.8%	2,500,525	35.6%	1,843,370	
			* plus \$140,546 ins assessment		* plus \$90k ins assessment			
	1 Bdr		2Bdr		3Bdr		Penthouse	
Factors:	0.0035864		0.0052792		0.0071727		0.0088656	
2021	551.00		811.00		1,102.00		1,362.00	
2022 - Monthly Assessment	720.00		1,060.00		1,441.00		1,781.00	
2022 - Spectrum	42.00		42.00		42.00		84.00	
2022 - Total	417.00		593.00		791.00		1,010.00	
change from 2021-2022	31%		31%		31%		31%	
2023 - Monthly Assessment	665.00		980.00		1,331.00		1,645.00	
2023 - Spectrum	45.00		45.00		45.00		90.00	
2023 - Total	710.00		1,025.00		1,376.00		1,735.00	
change from 2022-2023	70%		73%		74%		72%	
2024 - Monthly Assessment	767.00		1,130.00		1,535.00		1,897.00	
2024 - Spectrum	47.00		47.00		47.00		94.00	
2024 - Total	814.00		1,177.00		1,582.00		1,991.00	
change from 2023-24	14.6%		14.8%		15.0%		14.8%	
Diff per month	104.00		152.00		206.00		256.00	
Diff per year	1,248.00		1,824.00		2,472.00		3,072.00	

Bayshore Club Management Association 2024 Proposed Annual Budget

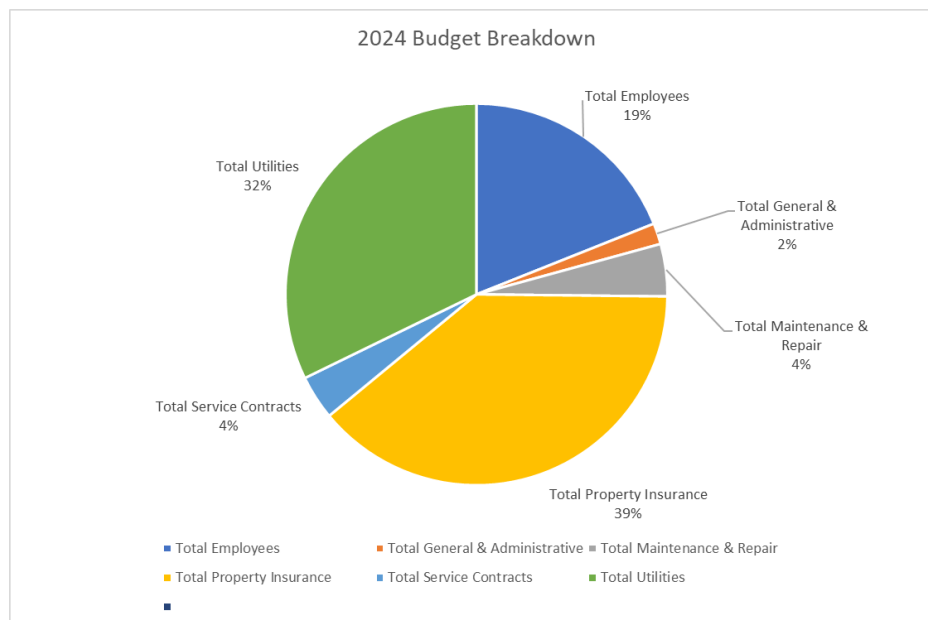
Summary: A partially funded reserve budget will result in a 16% increase in monthly assessments. However, when adding the insurance assessment required in 2023, the annual increase will only be 6.5% more than 2023.

	1 Bdr		2 Bdr		3 Bdr		Penthouse	
2023 - Operating	307.00		453.00		615.00		760.00	
2024 - Operating	359.00	17%	527.00	16%	717.00	17%	886.00	17%
2023 - Spectrum	45.00		45.00		45.00		90.00	
2024 - Spectrum	47.00	4%	47.00	4%	47.00	4%	94.00	4%
2023 - Reserves	127.00		187.00		254.00		314.00	
2024 - Reserves	149.00	17%	220.00	18%	299.00	18%	369.00	18%
Total Monthly Increase	76.00	16%	109.00	16%	149.00	16%	185.00	16%
Total Annual Increase	912.00		1,308.00		1,788.00		2,220.00	

2023 - Total Monthly	479.00	685.00	914.00	1,164.00
2024 - Total Monthly	555.00	794.00	1,063.00	1,349.00

The budget process: Multiple budget sessions were led by Board member and Finance Committee Chairman, Clendon Jordan, over 4 weeks and all unit owners were invited to participate. On average 20 owners participated in multiple sessions representing MANY man-hours of review. The process began with detailed presentation prepared by Clendon displaying in both table and graphic form the 2023 forecast (actual Jan – Aug + budgeted Sep – Dec) values versus 2023 budget. Each cost line was researched and received input from the Association manager.

The distribution of the annual **operating** budget is broken down as follows:



Operating Budget is shown below:

		2023 Forecast	2023 Final Annual	2024 Proposed	Change from 2023 to 2024	% change
		Budget				
Ordinary Income/Expense						
Income						
	4010 - Operating Assessment	1,028,408.72	1,028,170.00	1,199,057.52	170,887.52	16.6%
	4070 - Cable Income	114,440.00	114,360.00	120,078.00	5,718.00	5.0%
	5000 - Reserve Assessment	425,503.76	425,512.00	500,000.00	74,488.00	17.5%
		1,568,352.48	1,568,042.00	1,819,135.52	251,093.52	16.0%
	Other Income.	-60,275.35	-46,480.00	-50,309.00	-3,829.00	8.2%
	Total Employees	262,621.04	261,680.00	259,611.81	-2,068.19	-0.8%
	Total General & Administrative	21,960.56	24,980.00	24,390.00	-590.00	-2.4%
	Total Maintenance & Repair	61,794.74	62,500.00	60,700.00	-1,800.00	-2.9%
	Total Property Insurance	377,810.00	377,810.00	532,065.69	154,255.69	40.8%
	Total Service Contracts	48,714.77	50,120.00	51,404.98	1,284.98	2.6%
	Total Utilities	418,060.15	411,920.00	441,272.05	29,352.05	7.1%
	5060 - Reserve Expense	425,503.76	425,512.00	500,000.00	74,488.00	17.5%
		1,556,189.67	1,614,522.00	1,819,135.52	204,613.52	12.7%

As highlighted by the pie chart, the key drivers of BCMA's operating budget are Property Insurance, Utilities and Employee salaries (90% of the total operating budget) and those are also areas that are either impossible to significantly reduce or even control as is the case with insurance.

Reserves: In light of the passage of Senate Bill 4-D in May 2022 for condo associations and the known shortfall around upcoming life safety requirements (sprinkler system or other engineered life safety system) it was the sentiment of the budget committee participants that we must increase our reserve funding to \$500,000 (from \$425,500).

The new regulation requires that a "unit owner-controlled condominium association may not elect to provide no reserves or less reserves than required for the following building components: (1) the roof; (2) load-bearing walls or other primary structural members; (3) floors; (4) the foundation; (5) fireproofing and fire protection systems; (6) plumbing; (7) electrical systems; (8) waterproofing and exterior painting; (9) windows; and (10) any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000 and the failure to replace or maintain such item negatively affects one or more of the components". Over the course of 2024, a structural integrity reserve study (SIRS) will be performed to develop more detailed estimates as to what full funding will mean for 2025 and beyond. Since 2019, BCMA has funded over \$2M in reserves to responsibly plan for the upkeep of the integrity of the property.

2024 Detailed Budget Worksheet

	2023 Forecast	2023 Final Annual Budget	2024 Proposed	
Ordinary Income/Expense				
Income				
Operating Account Receipts				
4010 · Operating Assessments	1,028,408.72	1,028,170.00	1,199,057.52	
4020 · Laundry Revenue	25,026.27	18,000.00	22,044.00	
4030 · Party Room Revenue	555.00	320.00	320.00	
4040 · Locker Revenue (after tax)	19,327.80	19,560.00	19,560.00	
4050 · Late Fee Revenue	2,596.28	2,000.00	2,000.00	
4061 · Administrative Fees	12,400.00	5,900.00	6,385.00	
4062 · Background Check Receipts	370.00	700.00		We can't charge extra for this so don't budget
4070 · Cable Income	114,440.00	114,360.00	120,078.00	
Total Operating Account Receipts	1,203,124.07	1,189,010.00	1,369,444.52	
Total Income	1,203,124.07	1,189,010.00	1,369,444.52	
Gross Profit	1,203,124.07	1,189,010.00	1,369,444.52	
Expense				
Operating Expenses				
Employees				
6220 · Salary & Wages	224,855.72	225,870.00	224,489.32	
6225 · Payroll Taxes	19,309.05	18,170.00	18,030.23	
6228 · Misc. Employee Benefit	12,265.27	11,700.00	11,200.02	
6230 · Workers Comp	6,191.00	5,940.00	5,892.23	
Total Employees	262,621.04	261,680.00	259,611.81	
General & Administrative				
6020 · Accounting/Annual Audit	8,000.00	8,000.00	8,000.00	
6025 · Postage	699.06	1,000.00	1,000.00	
6030 · Legal & Professional	3,358.96	5,000.00	5,000.00	
6041 · Computer Equip & Supplies	50.00	150.00	150.00	
6042 · Computer Repair & Service	526.18	500.00	500.00	
6053 · Background Check	1,025.00	700.00	350.00	Assumes fewer sales in 2024
6055 · Association Admin	340.00	880.00	440.00	
6060 · Bank Service Charges	397.00	100.00	400.00	
6100 · Bad Debt Expense	833.36	2,500.00	1,200.00	Reduced due to lack of writeoffs in several years
6105 · Office Supplies & Toner	5,377.60	4,500.00	5,500.00	
6150 · Licensing, Certifications, Educ	1,353.40	1,500.00	1,500.00	
6170 · Tax Return	0.00	150.00	350.00	
Total General & Administrative	21,960.56	24,980.00	24,390.00	
Maintenance & Repair				
6320 · Pool Mtnc & Supplies	16,405.72	11,500.00	14,000.00	assume no pool lights +2.4% inflation
6330 · Grounds & Landscaping	7,470.72	9,800.00	6,500.00	get trees trimmed in 2023
6335 · Plumbing Maint	4,780.35	10,500.00	10,500.00	
6340 · HVAC Maint & repair	616.36	700.00	700.00	
6350 · Hskp Janitorial Supplies	5,913.73	7,000.00	7,000.00	
6360 · General Maintenance	25,307.86	20,000.00	20,000.00	
6370 · Elevator Repair (non covered)	1,300.00	3,000.00	2,000.00	
Total Maintenance & Repair	61,794.74	62,500.00	60,700.00	
Property Insurance				
6540 · Property/Wind	290,920.00	290,920.00	433,423.89	
6550 · Flood	39,650.00	54,830.00	61,982.51	2023 actual was covered by non-recurring special assessment
6560 · General Liability/Others	47,240.00	32,060.00	36,659.29	
Total Property Insurance	377,810.00	377,810.00	532,065.69	

2024 Detailed Budget Worksheet

	2023 Forecast	2023 Final Annual Budget	2024 Proposed	Comments
Service Contracts				
6260 - Elevator Maintenance	23,656.02	23,660.00	23,660.00	5 year contract
6270 - Pest Control Interior	3,407.84	3,450.00	3,536.25	2.5% increase on prior year
6290 - Emergency Generator	1,756.00	1,650.00	1,799.90	2.5% increase of actual
6295 - Fire Equip & Pump Inspct	1,383.00	2,000.00	1,417.58	2.5% increase of actual
6296 - Fire Extinguisher Annual Certif	0.00	1,500.00	1,691.25	2.5% increase of actual
6297 - Lawn Maintenance Service	13,200.00	13,200.00	13,200.00	no change
6299 - Soft Water Steam Generators	619.50	420.00	1,200.00	will need new system and new contract
6300 - Postage Meter Lease	701.38	700.00	700.00	no change
6301 - Copier Lease	3,991.03	3,540.00	4,200.00	assume \$350/month
Total Service Contracts	48,714.77	50,120.00	51,404.98	
Utilities				
6420 - Phone & Entrance Directory	5,145.14	4,990.00	5,300.00	3% increase of actual
6421 - Cable	115,500.88	114,360.00	120,078.00	matches 4090 - pass through
6430 - Electric	67,276.43	61,730.00	72,658.54	8% increase of actual consistent with 2023 variance
6440 - Water	57,221.58	53,280.00	61,227.09	7% increase of actual consistent with 2023 variance
6442 - Fireline	1,419.20	1,560.00	1,500.00	
6445 - Sewer	60,645.24	57,770.00	63,496.00	4.7% increase of actual consistent with 2023 variance
6448 - Stormwater	30,583.20	30,610.00	30,610.00	Same as 2023 budget
6450 - Garbage	34,092.80	32,760.00	35,422.42	3.9% increase of actual consistent with 2023 variance
6455 - Landfill	11,672.40	11,700.00	11,700.00	Same as 2023 budget
6460 - Recycling	5,550.56	5,560.00	5,560.00	Same as 2023 budget
6470 - Generator Fuel	0.00	200.00	200.00	Same as 2023 budget
6480 - Gas for Mowing	226.20	110.00	230.00	Consistent with 2023 forecast
6485 - Natural Gas	20,075.04	28,000.00	24,000.00	Agreed to budget and will manage pool heating to that amount
6490 - Utility Taxes and Surcharges	6,268.20	6,970.00	6,970.00	Same as 2023 budget
6491 - Solid Waste Fuel Adjustment	2,383.28	2,320.00	2,320.00	Same as 2023 budget
Total Utilities	418,060.15	411,920.00	441,272.05	
Total Operating Expenses	1,190,961.26	1,189,010.00	1,369,444.52	
Total Expense	1,190,961.26	1,189,010.00	1,369,444.52	
Net Ordinary Income	12,162.81	0.00	0.00	
Other Income/Expense				
Other Income				
Reserve Receipts				
5000 - Reserve Assessment	425,503.76	425,512.00	500,000.00	
Total Reserve Receipts	425,503.76	425,512.00	500,000.00	
Total Other Income	425,503.76	425,512.00	500,000.00	
Other Expense				
5060 - Reserve Expense	425,503.76	425,512.00	500,000.00	
Total Other Expense	425,503.76	425,512.00	500,000.00	
Net Other Income	0.00	0.00	0.00	
Net Income	12,162.81	0.00	0.00	

2024 Reserve Budget

Reserve Account Equity	2022 Contribution	2023 Contribution	Recommended 2024 funding	Full 2024 funding extrapolated from 2019 reserve study	
3010 · Roof Replacement	20,000.00	44,000.00	0.00	5,253.00	
3020 · Painting & Waterproofing	71,000.00	150,000.00	150,000.00	150,093.00	
3030 · Paving	-	0.00		0.00	Sealed recently, good for ~8-10 years
3040 · Decorating	50,000.00	5,500.00		26,791.00	
3050 · Tennis & Shuffleboard Courts	-	0.00		15,149.00	
3060 · Heating & A/C	5,000.00	7,000.00		0.00	
3070 · Pool	9,000.00	9,000.00	5,600.00	14,528.00	Consistent with recommended funding from last study
3080 · Pumps Water/Sewer	50,000.00	30,000.00	10,000.00	10,000.00	Old pipes remain
3090 · Common Area Glass & Door	69,500.00	0.00		126,397.00	includes garage gates
3100 · Elevators	49,000.00	5,000.00	10,000.00	298,331.00	Cost estimate is very low in study
3110 · Safety & Security	25,000.00	50,000.00	165,650.00	165,650.00	ELSS
3120 · Equipment	8,000.00	4,000.00	143,750.00	143,750.00	This is where electrical allowance is at
3140 · Structural Repair.	20,000.00	25,000.00	100,000.00	352,305.00	30% of paint budget +\$55k for study identified repairs; Underfunding mostly seawall
3150 · Landscaping	2,000.00	1,000.00		27,744.00	
3160 · Gen Deferred Maint & Cap	15,000.00	65,000.00	-95,000.00	0.00	we funded this category for electrical but s/b equipment
3180 · Garage Renovation	30,000.00	25,000.00	10,000.00	10,000.00	
3190 · Interest	-	0.00			
3191 · Other	2,000.00	5,000.00		22,476.00	Sign, irrigation allowance, trash Guillotine
Total Reserve Account Equity	425,500.00	425,500.00	500,000.00	1,368,467.00	
Specifically called out in reg for full funding					