

THESE MINUTES WERE REVIEWED, REVISED AS NEEDED, AND APPROVED ONLINE BY
Philip Paulk and Al Berzett 13 Nov. and Dan Sheffer, 14 NOV. 2023

MINUTES OF THE PENINSULA MASTER ASSOCIATION BOARD, FOR 8 NOVEMBER 2023,
4:00 PM Wed., THIRD 2024 BUDGET WORKSHOP, AT REMAX CONFERENCE ROOM

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ATTENDEES:

Master Board: Al Berzett, president; Dan Sheffer, V/P; Philip Paulk, Treasurer; Lyle Brown, Secretary; and Cole Baas, member at large, absent, Al Berzett has his proxy.

MEETING CONVENED: 3:58pm, by Al Berzett.

APPEAL OF EARLIER BOARD DECISION, HAVEN Cul-de-Sac:

Willey Russell, pres. of the Haven, was present for a few minutes to appeal from the Master Board's earlier rejection to pay for work on the Cul-de-Sac at the north end of the Haven. The Board deferred a decision until after Mr. Russell provides a cost estimate for the work.

ACTION ITEMS:

Debby Griffin, who served on the Nominations Committee in 2022, has agreed to act as chair. Al Berzett moved her appointment. Seconded by Philip Paulk. Passed 5 to 0. Noted that Marissa Markley to also serve.

BUDGET WORKSHOP:

Revision of 2023 budget to be placed on the table for action. Moved by Lyle Brown and seconded by Philip Paulk. Passed 5 to 0.

Revision of 2023 budget:

Moved by Dan Sheffer, seconded by Philip Paulk to immediately transfer \$60,000.00 from CIT bank account to the Roadway Reserves, with the balance (\$26,255.73) of the "borrowed" \$86,255.73.00 to be transferred from the CIT bank account to the Roadway Reserves no later than 15 December 2023. Passed 5 to 0. This action will return all funds that were "borrowed" from the Roadway Reserves in 2022 and 2023. Any funds used for road and drain repairs, such as in the Lakes, are not counted as "borrowed".

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The 2024 budget:

A "Road Maintenance" line item, \$11,274.00, was added to allow for road repairs out of operating funds rather than taking funds from Roadway Reserves.

"Irrigation Repairs/Supplies" was increased from \$15,000.00 to \$20,000.00. "Guardhouse Repair & Maint." was increased from \$5000.00 to \$6,000.00. "Gate Maintenance" was increased from \$1500.00 to \$3500.00. "Controlled Access" was rounded to \$153,226.00. "RWR Control Access Savings" line item was deleted and funds distributed to other accounts as noted above (made possible by the return of "borrowed" funds to the Roadway Reserves in the 2023 budget).

The annual dues were reduced from \$716,460.00 to \$673,920.00, which is a savings of \$7.38 per month for each owner from the 2023 budget.

2024 budget approved as revised. Moved by Al Berzett and seconded by Dan Sheffer. Passed 5 to 0.

ADJOURNED: By Al Berzett, at 6:15pm.

By Secretary Lyle Brown, 14 Nov. 2023

PLEASE SEE 2024 BUDGET ATTACHMENTS

Masters 2023 Budget and 2024 Proposed Budget					COMMENTS
Operating Income	2023 Budget	2023 Actual	2023 Annualized 9 mths	2024 Budget	
Annual Dues	\$716,460	\$537,345	\$716,460	\$673,920	Savings of \$7.38 per lot per month
Other Revenue					
Arc Review Fee	\$0.00	\$900.00	\$900.00	\$0	
Non Budgeted GLs					
Late Fees/Interest	\$0.00	\$595.97	\$794.63	\$750	
Fines	\$0.00	\$750.00	\$750.00	\$750	
Transponder Sales	\$0.00	\$33,370.00	\$33,370.00	\$1,500	
Misc Income	\$0.00	\$4,060.78	\$5,414.37	\$4,000	
Bank Interest Income	\$0.00	\$36.63	\$48.84	\$50	
From Roadway Reserves		\$1,346.88	\$1,346.88	\$0	
Total Other Income	\$0.00	\$41,060.26	\$42,624.72	\$7,050	
Total Income	\$716,460.00	\$578,405.35	\$759,084.84	\$680,970	
Operating Expense					
Administrative					
Insurance GL/DO/Prop	\$34,100.00	\$11,958.62	\$11,958.62	\$15,000	
Guard House Insurance	\$3,850.00	\$0.00	\$0.00	Included	\$3,850 included in \$15,000
Crime Policy Insurance	\$0.00	\$0.00	\$0.00	\$0	
Management Fees	\$40,200.00	\$30,800.00	\$41,066.67	\$40,200	Remains the same for 2024
Legal Fees	\$1,000.00	\$2,857.50	\$2,857.50	\$1,500	
Office & Adm-CMA	\$1,500.00	\$3,978.18	\$5,304.24	\$3,200	
Taxes Property	\$5,000.00	\$353.34	\$353.34	\$600	Estimated may not increase
Tax/Audit/License	\$0.00	\$150.00	\$150.00	\$2,000	Review or audit required
Accounting Fees/Tax Filing	\$500.00	\$650.00	\$500.00	\$450	
Website	\$900.00	\$743.41	\$991.21	\$1,025	
Office Supplies/Printing	\$0.00	\$25.00	\$33.33	\$1,400	
Office Rental	\$6,000.00	\$4,500.00	\$6,000.00	\$7,200	Increased \$100 mth.
Bank Fees	\$350.00	\$0.00	\$0.00	\$0	
Office Computer Software	\$0.00	\$0.00	\$0.00	\$200	
TOTAL ADMINISTRATIVE	\$93,400.00	\$56,016.05	\$69,214.91	\$72,775	
Grounds & Landscaping					
Landscaping Contract	\$71,960.00	\$53,419.96	\$71,226.61	\$64,800	
Pine Straw/Mulch	\$0.00	\$2,695.00	\$2,695.00	\$3,200	
Other Landscape /Grounds	\$0.00	\$2,260.00	\$2,260.00	\$2,260	
Irrigation Repairs/Supplies	\$0.00	\$0.00	\$0.00	\$20,000	
Total Grounds/Landscape	\$71,960.00	\$58,374.96	\$76,181.61	\$90,260	
Repairs & Maintenance					
Guard House Repair & Maint	\$0.00	\$2,989.31	\$3,985.75	\$6,000	\$1,875 year for cleaning
Gate Maintenance	\$500.00	\$710.72	\$947.63	\$3,500	
Boardwalk Maintenance	\$5,000.00	\$2,952.38	\$2,952.38	\$7,500	Increased from \$5,000
Building Supplies	\$0.00	\$346.28	\$461.71	\$400	
Road Maintenance	\$0.00	\$0.00	\$0.00	\$11,274	
Maint. General Repair	\$0.00	\$10,185.63	\$13,580.84	\$2,500	
Total Repairs & Maint	\$5,500.00	\$17,184.32	\$21,928.30	\$31,174	
Access & Monitoring					
Controlled Access	\$217,150.00	\$131,556.14	\$175,408.19	\$153,226.00	\$24.87 to \$25.62 hour
Transponders	\$0.00	\$2,688.00	\$0.00	\$0	
Total Access/Monitoring	\$217,150.00	\$134,244.14	\$175,408.19	\$153,226.00	
Utilities					
Electricity	\$22,150.00	\$16,140.55	\$21,520.73	\$25,000	
Water/Sewer	\$1,600.00	\$710.34	\$947.12	\$1,000	
Cable	\$0.00	\$51.00	\$68.00	\$0	
Telephone/ Internet	\$1,700.00	\$2,094.85	\$2,793.13	\$3,000	
Total Utilities	\$25,450.00	\$18,996.74	\$25,328.99	\$29,000	
Reserve Funding Exp					
Roadway Reserve	\$288,888.00	\$216,000.00	\$288,000.00	\$288,000	
Monies returned to reserves			\$86,255.73	\$0	
Boardwalk Reserve	\$15,000.00	\$11,200.00	\$14,933.33	\$16,535	
Total Reserve Funding	\$303,888.00	\$227,200.00	\$389,189.06	\$304,535	
Total Expenses	\$717,348.00		\$757,251.06	\$680,970	
Difference	-\$888.00		\$1,833.78	\$0	

2024 ANNUAL BUDGET COMMENTS

Operating Income 2024 income from dues will be \$673,920 down from \$716,260 resulting in a \$7.38 savings per month per lot.

Other Income No Change

Total projected Income \$680,970

Operating Expense

Administrative Expense Insurance goes to \$15,000 including \$3,850 for guard house.

Management fees remain at \$40,200.

Property taxes for land owned are estimated to be \$600.

Tax/Audit/License: Board agrees with by laws, financials should be reviewed.

Office rent at the Re Max office increased \$100 per month to \$7,200.

Grounds & Landscaping Savings realized on 2024 LS contract \$2,000.

Irrigation Repairs/Supplies Category added due to age and system needs-\$20,000.

Repairs & Maintenance

Guard House Repair & Maint. \$6,000 due to age and needs of structure.

Gate Maintenance Raised to \$3,500 due to 2023 gate arm breakage.

Maint. General Repair \$2,500 included due to age of facilities.

Road Maintenance Included \$11,274 so we don't draw from reserves for minor repairs.

Access & Monitoring

Controlled Access Hourly rate rose from \$24.87 to \$25.62-2024 expense \$153,226.36.

Utilities Minor changes to keep up with inflation, water reduced due to historical expense being lower.

Reserve Funding Expense

Roadway reserve \$24,000 per month or \$288,000 annually.

Savings from Control Access Any savings from control access budget will be put in RWR funding.

Boardwalk Reserve Boardwalk reserve will be increased from \$15,000 to \$16,535.

TOTAL EXPENSES FOR 2024 \$680,970 total income for 2024 and expenses of \$680,970 equals zero income and zero loss.

Peninsula master board transferred \$60,000 to the RWR account at Centennial Bank of the \$86,255.73 owed to reserves. The remaining \$26,255.73 will be repaid by December 15, 2023.

Therefore, all monies taken from reserves for control access will have been repaid. For 2023 \$288,000 plus \$86,255.73 will go to roadway reserves. As of November 10, 2023 Centennial Bank reserves totaled \$633,217.39. This does not include \$60,000 deposited by the Board November 10, 2023. Additional reserves are in Pacific Western Bank and total \$54,176.88 as of October 31, 2023. Roadway reserves account totals \$747,394.27.