



MARINA GRANDE
CLUB & RESIDENCES

November 8, 2018

Re: 2019 Marina Grande - Operating Budget

Dear Marina Grande Resident:

The Marina Grande Riviera Beach Board of Directors will conduct the Annual Budget Meeting for adoption of the 2019 Budget on Monday, November 26, 2018 at 6:00pm in the Clubhouse Social Room located at 2640 Lake Shore Dr., Riviera Beach, FL 33404.

The Proposed Budget has been carefully reviewed by the Marina Grande Board of Directors and Finance Committee. **It has been proposed that there will be a 3% increase in the Maintenance Fees for 2019.**

It should be noted that the budget has remained virtually flat for three years 2016-2018.

Please note the following highlights of the proposed budget:

- There is an overall 3% Maintenance Fee increase; however, there is no significant operating expense planned for 2019 as recommended by the Board.
- The proposed 2019 Operating Expense Budget is \$3,129,246 plus the Reserve Allocation of \$547,380 for a total of \$3,676,626.
- The Operating Budget will increase only by \$2,015 year over year.
- The Reserve allocation has increased \$116,340 or 27% year over year as per the Reserve Study produced by GAB Robins for 2019. A summary of the Reserve Study is included. This line item is the principal driver of the 3% increase in 2019.
- Our accounting firm has recommended the Association reach a two-month Member's Equity target; however we began 2018 with only about half of that goal. The 2019 projected revenue from maintenance fees, reserves, interest, and miscellaneous income should present an opportunity to move closer to the goal; however it is not expected to reach the \$600,000 mark in the coming year. Future budgets should continue to recognize this goal.

The Finance Committee and Board of Director's believe that to maintain the reputation of our development and the value of our homes, it's appropriate to pass a 3% increase in assessments to cover the new reserve study for anticipated replacement costs in the future. In doing so, we will maintain a sound fiscal policy which continues the community quality we desire.

Enclosed you will find the "Notice of Meeting with Agenda", a copy of the "2019 Proposed Annual Operating Budget" and the Reserve Study "Executive Summary" that will be considered for approval by the Board of Directors at the Budget Meeting. If you have any further questions, please do not hesitate to contact the Management Office.

Sincerely,



Adam Grandis, LCAM
For the Marina Grande Board of Directors



**NOTICE OF SPECIAL MEETING OF THE BOARD OF DIRECTORS OF MARINA
GRANDE RIVIERA BEACH CONDOMINIUM ASSOCIATION, INC.
("ASSOCIATION")**

NOTICE IS HEREBY GIVEN in accordance with the Association's By-Laws and Section 718.112, Florida Statutes, that a Special Meeting of the Board of Directors ("Board") will be held on **Monday, November 26, 2018 at 6:00pm in the Association's Social Room located at 2640 Lakeshore Drive, Riviera Beach, Florida 33404.** The purpose of the Special Meeting is for the Board to vote on the adoption of the 2019 Proposed Budget for the Association's fiscal year commencing January 1, 2019 with fully funded statutory reserves. Enclosed please find a copy of the Proposed Budget for the 2019 fiscal year.

AGENDA FOR BUDGET MEETING

1. Call to order by President
2. Determination of quorum of Directors
3. Proof of Notice of Budget Meeting
4. Consideration and vote by the Board on the adoption of the Proposed Budget for the 2019 fiscal year with full statutory reserves.
5. Adjournment

**MARINA GRANDE RIVIERA BEACH
CONDOMINIUM ASSOCIATION, INC.**

BY: 

DANIEL MCGILVERY, PRESIDENT

Dated this 8th day of November 2018.

MARINA GRANDE RIVIERA BEACH COA, INC.
2019 PROPOSED BUDGET

GL Account	Description	Annual Approved Budget	Proposed Annual Budget	Annual Variance	Percentage Variance
	**REVENUE				
40000	Owner Assessments	3127231	3129246	2015	0%
40002-00	Reserve Income-	431040	547380	116340	27%
40011	Late Fee Income	0	0	0	
40014	Legal Fee Income	0	0	0	
40025	Returned Check Fees	0	0	0	
40030	Screening Fees	0	0	0	
40035	Moving Fees	0	0	0	
40037	Parking Space Rental	15084	15084	0	
40045	Transfer Fees	0	0	0	
40060	Gate/Key Cards	0	0	0	
40066	Transmitter Income	0	0	0	
40068	Key Fob Income	5000	5000	0	
40070	Auto Decals	0	0	0	
40079	Clubhouse Fee	0	0	0	
40080	Interest Income	0	0	0	
40081	Reserve Interest	0	0	0	
40090	Miscellaneous Income	0	0	0	
40115-02	Administrative Fee- - Demand Letter	0	0	0	
41010	House Charges	0	0	0	
41040	Social Activities In	0	0	0	
41041	Holiday Fund	0	0	0	
42030	Membership Fees-LHM/Clubhouse	0	0	0	
	**TOTAL REVENUE	3578355	3696710	118355	3%
	EXPENSES				
	**ADMINISTRATIVE				
50005	Accounting Fees	8700	8700	0	
50012-00	Bad Debts-	3000	15000	12000	
50015	Bank Charges	800	800	0	
50024	Computer Maintenance	7200	7200	0	
50045-00	Legal Fees-	30000	30000	0	
50045-04	Legal Fees- - Collections	1000	1000	0	
50048	Annual Condo Fees	1500	1500	0	
50050-05	Lics,Txs,Prmt- - Backflow Cert.	200	200	0	
50050-07	Lics,Txs,Prmt- - Boiler	200	200	0	
50050-15	Lics,Txs,Prmt- - Elevators	600	600	0	
50050-45	Lics,Txs,Prmt- - Pool/Spa	500	500	0	
50053	Corporate Annual Rep	100	100	0	
50057	Social Committee	12000	12000	0	
50064-00	Admin-	3000	3000	0	
50064-90	AdminWater Cooler Rental	0	1320	1320	
50064-97	AdminMailouts	0	1250	1250	
50065	Office Equipment	2300	2300	0	
50075	Office Supplies	2500	2500	0	
50080	Postage	2500	2500	0	
50090-30	Professional Fees- - Ins. Appraisal	900	0	-900	
50090-45	Professional Fees- Reserve Study	0	950	950	
50100	Screening Fees	4000	4000	0	
50200-00	Moving Expenses-	3000	3000	0	
50555	Holiday Lighting	4000	6500	2500	
	**TOTAL ADMINISTRATIVE	88000	105120	17120	19%
	**PROPERTY INSURANCE				
52030	Multiperil Insurance	385000	375825	-9175	
52032	Umbrella Insurance	7000	7525	525	
52034	Flood Insurance	51000	52500	1500	
52035	Directors & Officers	3000	3000	0	
52036	Fidelity Bond	1500	1200	-300	
52038	Boiler	3000	0	-3000	
52040	Ins Finance Charge	500	0	-500	
	**TOTAL PROPERTY INSURANCE	451000	440050	-10950	-2%
	**UTILITIES				
54050-00	Electricity-	176000	181000	5000	
54070-00	Water & Sewer-	222000	261820	39820	
54080	Gas/Fuel Oil	63000	63000	0	

MARINA GRANDE RIVIERA BEACH COA, INC.
2019 PROPOSED BUDGET

54100-00	Telephone-	10500	11600	1100	
	**TOTAL UTILITIES	471500	517420	45920	10%
	**CONTRACTS				
60004	Administrative Staff Service	218000	224500	6500	
60013	Comm. Svcs and Taxes	381200	312000	-69200	
60021-35	Contracts- Golf Cart Rental	3800	3800	0	
60021-95	Contracts- Uniform	3500	2500	-1000	
60035	Elevator Contract	61000	65200	4200	
60037-08	Equipment Lease- - Copier	2500	2500	0	
60046-29	Equipment Contract- - Gym	1500	2800	1300	
60046-30	Equipment Contract- - Life Safety	50000	30000	-20000	
60066	Health Benefits	55000	64200	9200	
60070	Generator	500	750	250	
60074	Hvac System	8800	8900	100	
60075	Janitorial Service	101000	98000	-3000	
60090	Lawn Maintenance	34800	34800	0	
61000	Management Services	79800	82500	2700	
61001	Maintenance Service	188346	191000	2654	
61008	Odor Control	4500	4500	0	
61010	Pest Control	12000	12000	0	
61014	Painting Service	37000	38100	1100	
61015	Plumbing Contract	2400	3000	600	
61020	Pool/Spa Contract	9600	10000	400	
61036	Roof Contract	2200	2200	0	
61045-00	Security Services-	310000	335000	25000	
61045-05	Security Services- - Access Ctrl	11450	24700	13250	
61045-34	Security Services- - Surveillance System	11400	14800	3400	
61055	Trash Removal	47500	48665	1165	
61065	Valet Service	190000	167000	-23000	
61070	Water Treatment	7704	7725	21	
61075	Window Services	9280	6500	-2780	
61076	Workers Compensation	1000	1000	0	
	**TOTAL CONTRACTS	1845780	1798640	-47140	-3%
	**SALARIES & BENEFITS				
65058	Bonuses	3000	3000	0	0
	**TOTAL SALARIES & BENEFITS	3000	3000	0	0%
	**REPAIRS/MAINTENANCE				
70005	R&M-Air Conditioning	16100	19000	2900	
70040	R&M-Elevator	15000	15000	0	
70043-28	Repairs/Maintenance- Hurricane	10000	10000	0	
70045	R&M-Electrical	8000	8000	0	
70048-19	R&M Equipment- - Fire Extinguisher	9200	8200	-1000	
70048-28	R&M Equipment- - Irrigation	2235	2200	-35	
70048-32	R&M Equipment- - Life Safety	6000	6000	0	
70048-34	R&M Equipment- - Locks	1000	1000	0	
70048-87	R&M Equipment- - Exercise	2000	2000	0	
70060	R&M-General	30000	31500	1500	
70063	R&M-Generator	3000	3000	0	
70090	R&M-Plumbing	10000	11000	1000	
70095	R&M-Pool/Spa/Fountain	5000	8500	3500	
70119	R&M-Trash Chute	5000	5700	700	
70125	R&M-Signage	1000	1000	0	
70135	Landscaping Extras	20000	20000	0	
70175	Custodial Supplies	10000	10500	500	
70178	Spa Supplies	1500	1500	0	
70180	Paint Supplies	12000	12000	0	
70190	R&M-Supplies	9000	12000	3000	
70231-83	Purchases--Security - Access Control	2000	2000	0	
70289-00	Contingency-	110000	95000	-15000	
	**TOTAL REPAIRS/MAINTENANCE	288035	285100	-2935	-1%
	**TOTAL EXPENSES	3578355	3696710	118355	3%

Marina Grande Riviera Beach - 2019 - Board Adjusted - 9 Month Data

EXECUTIVE SUMMARY

PROPERTY DATA

Property Name: Marina Grande Riviera Beach
Property Location: Riviera Beach, Florida
Property Type: Condominium Association
Total Units: 349

Report Run Date: September 20, 2089
Budget Year Begins: January 1, 2019
Budget Year Ends: December 31, 2019

PROJECTED COMPONENT CATEGORIES AND PARAMETERS

Building Exteriors
Decks & Planter Boxes
Elevators
HVAC
Interior Finishes
Mechanical/Electrical
Painting & Waterproofing
Pavement
Plumbing
Recreational Amenities
Roofs
Site Improvements

Total current cost of all reserve components in reserve analysis:	\$ 11,702,173
Estimated beginning reserve fund balance for reserve analysis:	\$ 1,643,915
Total number of components scheduled for replacement in the 2019 budget year:	11
Total cost of components scheduled for replacement in the 2019 budget year:	\$ 146,861

ANALYSIS RESULTS –CASH FLOW ANALYSIS

Current annual reserve funding contribution amount (2018 Budget):	\$ 431,040
Our recommended annual reserve funding contribution amount:	\$ 547,380
Increase (decrease) between current and recommended annual contribution amounts:	\$ 116,340
Increase (decrease) between current and recommended annual contribution amounts:	27.0%

ANALYSIS RESULTS – COMPONENT FUNDING ANALYSIS

Current annual reserve funding contribution amount (2018 Budget):	\$ 431,040
Our recommended annual reserve funding contribution amount:	\$ 1,008,005
Increase (decrease) between current and recommended annual contribution amounts:	\$ 576,965
Increase (decrease) between current and recommended annual contribution amounts:	134%

MARINA GRANDE RIVIERA BEACH CONDOMINIUM ASSOCIATION INC.
Schedule Of Proposed Maintenance
January 1, 2019 - December 31, 2019

Building# Unit Type	Unit Remarks	Percentage Of Unit Ownership	Number Of Units	Total Percentage	Current Payment	Proposed Monthly Without Reserves	Proposed Monthly Reserves	Proposed Monthly Per Unit Maintenance	Proposed Monthly Total All Units Maintenance
0000-A		0.353450150	25	8.836253750	\$1085.67	\$921.69	\$161.23	\$1082.92	\$27073.00
0000-B		0.312693140	24	7.504635360	\$960.49	\$815.41	\$142.63	\$958.04	\$22992.96
0000-BB		0.305009440	23	7.015217120	\$936.88	\$795.37	\$139.13	\$934.50	\$21493.50
0000-C		0.281290190	23	6.469674370	\$864.03	\$733.52	\$128.31	\$861.83	\$19822.09
0000-CC		0.275109830	21	5.777306430	\$845.04	\$717.41	\$125.49	\$842.90	\$17700.90
0000-D		0.263918350	21	5.542285350	\$810.67	\$688.22	\$120.39	\$808.61	\$16980.81
0000-DD		0.266925020	23	6.139275460	\$819.90	\$696.06	\$121.76	\$817.82	\$18809.86
0000-E		0.245043180	23	5.635993140	\$752.69	\$639.00	\$111.78	\$750.78	\$17267.94
0000-EE		0.244207990	21	5.128367790	\$750.12	\$636.82	\$111.40	\$748.22	\$15712.62
0000-F		0.262247980	25	6.556199500	\$805.54	\$683.87	\$119.62	\$803.49	\$20087.25
0000-G		0.338416820	25	8.460420500	\$1039.49	\$882.49	\$154.37	\$1036.86	\$25921.50
0000-H		0.293149820	22	6.449296040	\$900.46	\$764.45	\$133.72	\$898.17	\$19759.74
0000-HH		0.274608720	25	6.865218000	\$843.51	\$716.10	\$125.26	\$841.36	\$21034.00
0000-J		0.284965010	23	6.554195230	\$875.32	\$743.10	\$129.99	\$873.09	\$20081.07
0000-JJ		0.282626478	25	7.065661950	\$868.13	\$737.01	\$128.92	\$865.93	\$21648.25
Total			349	99.999999990					\$306385.49