

**HARBOR COVE TIMESHARE OWNERS' ASSOCIATION  
2016 ANNUAL MEETING**

***TREASURER'S REPORT***



**Prepared By:  
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Treasurer**

**November 5, 2016**

**HARBOR COVE TIMESHARE OWNERS' ASSOCIATION  
TREASURER'S REPORT  
2016 ANNUAL MEETING  
NOVEMBER 5, 2016**

**2016 BUDGET HIGHLIGHTS**

Revenue Summary

- Approximately 246 paid weeks
- Some successful collections from overdue owners
- Recoup of lost maintenance fees through "Family and Friends" program (rentals)
- Week 53 revenue (recouped lost fees from other weeks)
- Maintained year to year carryover-may be partially used for future projects
- Considering all sources of revenue, on budget for total collections

Over Budget Summary

- 4<sup>th</sup> quarter increase in Community Properties dues
- Furniture cleaning more than anticipated
- Drapery cleaning more than anticipated (taken from maintenance budget)
- Management fee anticipated to be over due to expense in changing managers
- Printing and mailing a little over, due to "Friends and Family" (which is self-funded)
- Replacements slightly over
- Maintenance week cleaning slightly over

Under Budget Summary

- Board expenses (cyber annual meeting instead of renting facility)
- Cable TV (negotiated better rate by facility manager)
- Electricity (milder temperatures and energy improvements)
- Gas (milder temperatures and energy improvement)
- Laundry (fewer occupancies than expected)
- Weekly cleaning (fewer occupancies than expected)

**2017 BUDGET HIGHLIGHTS**

Revenue Summary

- Anticipate 246 paid weeks
- No week 53 this year, so loss of opportunity for revenue for that week
- Anticipate minimum 5 rental weeks to recoup lost revenue
- Payment of late fees by relatives of deceased owners

#### Increases Verses Previous Year Budget

- Community Properties increase of \$1800 over 2016 budget
- Increase in property management fees
- Increase in printing and mailing
- Slight increase in property taxes

#### Decreases Verses Previous Year Budget

- Cable TV (better negotiated rate)
- Weekly cleaning (fewer occupied weeks)
- Laundry (fewer occupied weeks)
- Legal expenses

#### **KEYS TO CONTINUED SUCCESS**

- **All owners pay required maintenance fees on time**
- **Recoup of lost revenue through "Family and Friends" Rentals**
- **Collection of past due payments from delinquent owners**
- **Sales of Association owned weeks**

***SEE "2016 ANNUAL FINANCIAL REPORT" PAGE FOR SPECIFIC BUDGET DETAILS***

**Harbor Cove Timeshare Owners' Association  
2016 Annual Financial Report**

10/27/2016

Ward

	<b>2016 YTD</b>	<b>2016 Projected</b>	<b>2016 Budget</b>	<b>% Budget</b>	<b>LN</b>	<b>2017 Budget</b>
<b>Revenue</b>						
Maintenance Fees (246 wks)	\$ 127,985.00	\$ 128,715.00	\$ 131,600.00	98%	1	\$ 130,380.00
Recoup Owed Fees	\$ 1,900.00	\$ 3,100.00	\$ -		2	\$ 2,950.00
Previous Year Carryover*	\$ 12,149.00	\$ 12,149.00	\$ 12,149.00	100%	3	\$ 13,000.00
Total Revenue less carryover	\$ 129,885.00	\$ 131,815.00	\$ 131,600.00	100%	4	\$ 133,330.00
<b>Operating Expenses</b>						
Association Dues	\$ 19,144.00	\$ 25,975.00	\$ 25,550.00	102%	5	\$ 27,352.00
Board Expenses	\$ -	\$ 200.00	\$ 850.00	24%	6	\$ 800.00
Cable (WiFi-TV-Phone)	\$ 6,898.00	\$ 9,800.00	\$ 8,800.00	111%	7	\$ 9,432.00
Carpet Cleaning	\$ 510.00	\$ 1,500.00	\$ 1,500.00	100%	8	\$ 1,500.00
Cleaning (weekly units)	\$ 10,688.00	\$ 16,463.00	\$ 19,125.00	86%	9	\$ 18,825.00
Electric	\$ 3,006.00	\$ 5,200.00	\$ 6,504.00	80%	10	\$ 5,554.00
Furniture Cleaning	\$ 900.00	\$ 1,000.00	\$ 600.00	167%	11	\$ 600.00
Gas	\$ 3,119.00	\$ 4,900.00	\$ 6,000.00	82%	12	\$ 5,350.00
Insurance	\$ 2,923.00	\$ 4,000.00	\$ 4,000.00	100%	13	\$ 3,996.00
Laundry	\$ 3,998.00	\$ 6,300.00	\$ 8,000.00	79%	14	\$ 6,275.00
Legal	\$ 208.00	\$ 500.00	\$ 1,200.00	42%	15	\$ 600.00
Maint. Week Cleaning	\$ 1,763.00	\$ 2,763.00	\$ 2,000.00	138%	16	\$ 2,000.00
Maintenance	\$ 6,115.00	\$ 8,200.00	\$ 7,000.00	117%	17	\$ 7,008.00
Management Fee***	\$ 12,785.00	\$ 22,200.00	\$ 19,200.00	116%	18	\$ 20,004.00
Printing-Mailing	\$ 562.00	\$ 1,100.00	\$ 1,000.00	110%	19	\$ 1,350.00
Replacements	\$ 3,909.00	\$ 6,000.00	\$ 5,000.00	120%	20	\$ 5,040.00
Taxes	\$ 5,548.00	\$ 11,873.00	\$ 12,000.00	99%	21	\$ 12,853.00
Unit Supplies	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	100%	22	\$ 3,263.00
<b>Total Operating Expenses</b>	\$ 85,876.00	\$ 131,774.00	\$ 132,129.00	100%	23	\$ 131,802.00
<b>Restricted Reserve Balance**</b>	\$ 30,228.00	\$ 30,300.00	\$ 30,300.00		24	\$ 30,400.00

\*Carryover of funds from general day to day operating budget from previous year -for future unit improvements.

\*\*By laws require minimum Of 10% of operating budget for restricted reserves. Current amount is 23%.

\*\*\*Includes estimated additional \$3000 costs to account for changeover in management companies

**2017 Maintenance fees = \$530 per week owned**

**Amount paid for property taxes for each week owned in 2016= \$47.23**

*Note: Report is based upon actual 8 month results and best estimate of final 2016 numbers.*