

PALM BEACH SHORES RESORT  
Estimated Operating Budget  
For The Period: January 01, 2024 - December 31, 2024  
Total Number of Unit Weeks: 13,520

INCOME:	WEEKLY	MONTHLY	ANNUAL	PER UNIT WEEK
MAINTENANCE FEES	282,880	1,225,812	14,709,741	1,088.00
OTHER INCOME	6,154	26,667	320,000	23.67
RENTAL INCOME	7,721	33,458	401,500	29.70
INTEREST AND LATE FEE INCOME	3,750	16,250	195,000	14.42
REAL ESTATE TAX COMMISSION	750	3,250	39,000	2.88
<b>TOTAL INCOME</b>	<b>301,255</b>	<b>1,305,437</b>	<b>15,665,241</b>	<b>1,158.68</b>
ITEM OF EXPENSE				
I. PAYROLL, TAXES AND BENEFITS:				
FRONT DESK & RESERVATIONS	15,385	66,667	800,000	59.17
HOUSEKEEPING	28,846	125,000	1,500,000	110.95
ACTIVITIES	3,173	13,750	165,000	12.20
ADMINISTRATION AND ACCOUNTING	7,692	33,333	400,000	29.59
MAINTENANCE	8,000	34,667	416,000	30.77
PAYROLL TAXES AND BENEFITS	7,404	32,083	385,000	28.48
	70,500	305,500	3,666,000	271.15
II. OPERATING EXPENSES:				
LAUNDRY, LINEN & CLEANING SUPPLIES	4,231	18,333	220,000	16.27
UNIFORMS	135	583	7,000	0.52
OPERATING AND GUEST SUPPLIES	3,615	15,667	188,000	13.91
CREDIT CARD FEES	3,019	13,083	157,000	11.61
SERVICE CHARGES & BAD DEBT	67,269	291,500	3,498,000	258.73
MAINTENANCE EXPENSES	9,827	42,583	511,000	37.80
ACTIVITIES EXPENSES	769	3,333	40,000	2.96
MAINTENANCE CONTRACTS	2,135	9,250	111,000	8.21
COMPUTER SERVICES AND MAINTENANCE	538	2,333	28,000	2.07
CAPITAL LEASES	1,250	5,417	65,000	4.81
SHARED AMENITIES EXPENSES	4,036	17,490	209,875	15.52
ENERGY CONSERVATION PROJECT	19	83	1,000	0.07
	96,844	419,656	5,035,875	372.48
III. GENERAL AND ADMINISTRATION EXPENSE:				
TELEPHONE	462	2,000	24,000	1.78
OFFICE, PRINTING AND POSTAGE	3,115	13,500	162,000	11.98
LICENSES, DUES AND FEES	212	917	11,000	0.81
AUDIT FEES & TAX PREPARATION	269	1,167	14,000	1.04
BILLING AND COLLECTION	1,250	5,417	65,000	4.81
	5,308	23,000	276,000	20.41
IV. RENT FOR RECREATIONAL AND OTHER COMMONLY USED FACILITIES				
	N/A	N/A	N/A	N/A
V. REAL ESTATE TAXES UPON ASSOCIATION PROPERTY WILL BE SEPARATELY ASSESSED AFTER THE ASSOCIATION RECEIVES THE TAX BILL FROM THE PALM BEACH TAX COLLECTOR.				
	N/A	N/A	N/A	N/A
VI. TAXES UPON LEASED AREAS				
	N/A	N/A	N/A	N/A
VII. INTEREST EXPENSE				
	-	-	-	-
VIII. UTILITIES:				
ELECTRICITY	7,019	30,417	365,000	27.00
CABLE TELEVISION	827	3,583	43,000	3.18
FUEL	2,260	9,792	117,500	8.69
WATER	4,769	20,667	248,000	18.34
WASTE REMOVAL	1,594	6,908	82,900	6.13
	16,469	71,367	856,400	63.34
IX. INSURANCE				
	53,846	233,333	2,800,000	207.10
X. FEES DUE TO DIVISION OF TIMESHARE				
	537	2,327	27,924	2.07
XI. MANAGEMENT FEES				
	36,987	160,277	1,923,330	142.26
XII. SECURITY				
	3,077	13,333	160,000	11.83
XIII. ESTIMATED EXPENSES FOR THE UNIT OWNER:				
RENT FOR THE UNIT, IF LEASED	N/A	N/A	N/A	N/A
RENT PAYABLE BY THE UNIT OWNER	N/A	N/A	N/A	N/A
<b>TOTAL EXPENSES</b>	<b>283,568</b>	<b>1,228,794</b>	<b>14,745,529</b>	<b>1,090.65</b>
RESERVES ( SEE SCHEDULE ATTACHED )	17,687	76,643	919,713	68.03
<b>TOTAL EXPENSES INCLUDING RESERVES</b>	<b>301,255</b>	<b>1,305,437</b>	<b>15,665,241</b>	<b>1,158.68</b>
MAINTENANCE FEES PER UNIT WEEK				<u>\$1,088.00</u>

	WEEKLY	MONTHLY	ANNUAL	PER UNIT WEEK
XV. RESERVES:				
ROOF	1,210	5,241	62,897	4.65
FIREPROOFING AND FIRE PROTECTION SYSTEM	761	3,296	39,552	2.93
PLUMBING	429	1,858	22,292	1.65
HEATING AND COOLING SYSTEMS	935	4,050	48,598	3.59
ELECTRICAL SYSTEMS	-	-	-	-
PAVEMENT AND PARKING AREAS	177	765	9,182	0.68
DRAINAGE SYSTEMS	16	70	837	0.06
SWIMMING POOL	-	-	-	-
ELEVATORS	279	1,209	14,503	1.07
FF & E - UNITS	10,902	47,242	566,905	41.93
FF & E - COMMON AREAS	529	2,290	27,486	2.03
EXTERIOR PAINTING	810	3,509	42,106	3.11
COMMON AREA EXPENSES	1,641	7,113	85,356	6.31
	17,687	76,643	919,713	68.03

SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL EXPENDITURES  
AND DEFERRED MAINTENANCE FUNDING

COMPONENTS	ESTIMATED USEFUL LIFE	ESTIMATED REMAINING USEFUL LIFE	ESTIMATED FUTURE REPLACEMENT COST (260 UNITS)	AMOUNT RESERVED UNDER THIS BUDGET	ESTIMATED FUND BALANCE
ROOF	25 years	16 years	1,657,374	62,897	651,029.00
FIREPROOFING AND FIRE PROTECTION SYSTEM	20 years	4 years	552,353	39,552	394,145.00
PLUMBING	35 years	27 years	1,525,056	22,292	923,177.00
HEATING AND COOLING SYSTEMS	15 years	14 years	1,307,360	48,598	626,989.00
ELECTRICAL SYSTEMS	20 years	1 years	209,740	-	372,426.00
PAVEMENT AND PARKING AREAS	20 years	4 years	140,557	9,182	103,830.00
DRAINAGE SYSTEMS	40 years	9 years	25,000	836.56	17,471.00
SWIMMING POOL	10 years	1 years	169,070	-	169,070.00
ELEVATORS	30 years	14 years	385,026	14,503	181,980.00
FF & E - UNITS	25 years	12 years	9,243,701	566,905	2,440,841.00
FF & E - COMMON AREAS	15 years	5 years	558,935	27,486	421,507.00
EXTERIOR PAINTING	15 years	5 years	525,390	42,106	314,858.00
COMMON AREA EXPENSES	40 years	25 years	1,541,745	85,356	(592,146.00)
			17,841,307	919,713	6,025,177.00

NOTES

AS OF DECEMBER 31, 2022 THERE WERE THE FOLLOWING NOTES IN THE AUDITED FINANCIAL STATEMENTS WHICH DISCLOSE RELATED PARTY TRANSACTIONS;

COMMITMENTS

The Association has entered into a three-year management agreement on June 19, 1997 with a management company. The agreement automatically renews for three-year periods, unless either party notifies the other in writing at least sixty days prior to the end of any three-year period of its intention not to renew, by a vote of the unit owners pursuant to the provisions of the condominium or timeshare act or by written notice from the management company, as defined in the management agreement. The agreement automatically renewed for three more years on June 19, 2021. The management was assigned to a new Developer on August 27, 1999, under the same terms as the management agreement entered into on June 19, 1997.

The agreement requires the Association to pay the management company 15% of the budget maintenance fees exclusive of the management fee expense and reserve funds for the year. The management fee for 2022 was \$1,596,936.

NOTICE

A BOARD OF DIRECTORS MEETING WILL BE HELD TUESDAY, OCTOBER 10TH, 2023 AT 2:00 PM AT PALM BEACH SHORES RESORT, 181 OCEAN AVENUE, PALM BEACH SHORES, FLORIDA.

THE PURPOSE OF THIS MEETING IS TO CONSIDER AND VOTE UPON THE PROPOSED BUDGET, A COPY OF WHICH IS ATTACHED.