

Appendix A

Budget Explanations of Year to date and Projected Finish of 2002/03 Budget.

Income:

A: Our collections for the Assessments stands at 34,000 and the last 2 thousand will be in by the date of the meeting.

B: The maintenance fees are on schedule to end the year right on schedule. We have one owner behind at this time.

Expenses:

C: Building Maintenance Budget:

Date	Num	Memo	Paid Amount	Balance
07/09/02	2535	Common Area Carpet Cleaning, Baseboard material at Deering, Labor to lay down some blocks	\$347.28	\$347.28
07/23/02	2541	Work performed to remove spec hole and repair spec holes around building	\$750.00	\$1,097.28
08/06/02	2550	Coast Country material to repair leaks, treat & paint mold buildup	\$189.83	\$1,287.11
08/06/02	2550	New Commercial Vacuum	\$498.70	\$1,785.81
08/16/02	2551	Lighting	\$31.48	\$1,817.29
09/16/02	2556	Re-Key set for Lobby area	\$16.87	\$1,834.16
09/16/02	2556	Lasher plumbing cleaning out sewer lines on the 4 units	\$195.00	\$2,029.16
09/16/02	2556	4 - 6 panel steel doors for entry doors to units. 1 steel exterior door from Deering Lumber.	\$732.53	\$2,761.69
10/24/02	2574	Install door handles to each floor for the storage areas	\$64.69	\$2,826.38
11/01/02	2579	Labor to replace doors to 508 & Electrical room and Paint doors	\$435.00	\$3,261.38
11/01/02	2579	3 day storm - clean up - watervac - rental carpet fans	\$239.00	\$3,500.38
11/06/02	2583	Dead River work on the Heaters	\$56.25	\$3,556.63
12/12/02	2592	Replaced 7 broken lights and purchased 10 new ones	\$782.84	\$4,339.47
12/12/02	2592	Disposal of building material from 2nd and 3rd floor closets	\$65.00	\$4,404.47
12/12/02	2592	New Wet Vac, New Welcome mats and winter driveway markers	\$190.07	\$4,594.54
12/16/02	2593	Dead River work on the Exchanger in the Electrical Room	\$260.04	\$4,854.58
12/16/02	2601	Completion of New coating of SeaWatch/Repair Damage by Truck	\$1,415.00	\$6,269.58
01/15/03	2609	5 New lights & 5 Replacement Globes for interior lights	\$310.34	\$6,579.92
01/22/03	2610	Worked on Glass doors - Lucien Fecteau	\$160.00	\$6,739.92
02/03/03	2611	Water and Ice damage to a car (cleaned up)	\$11.00	\$6,750.92
03/05/03	2622	Repair pool room door - Lobby doors repin	\$160.29	\$6,911.21
03/05/03	2624	Electrical room work	\$66.15	\$6,977.36
04/01/03	2629	Taking down and hanging 6 Doors and install 505 door	\$205.00	\$7,182.36
04/25/03	2639	Condo entry doors sandblasted, stripped, sanded and painted	\$1,500.00	\$8,682.36
Total			\$8,682.36	\$8,682.36

D: Capital Reserves: The last two years the Association has raised through Special Assessments 10 thousand each year and has put it away in the reserve fund as a way to begin to increase that fund.

E: Propane: The propane heating system heats the lobby, hallways, Electrical room, pool area and the pool/hottub water. The new heating system was installed last fall as

part of last years Special Assessment. It worked well all winter long with only one breakdown. The budget is going to be higher because of lower temperatures, higher prices and longer heating season. The heating season ended around April 15, 2003 which is about 30 days longer then normal.

F: Insurance: After last years annual meeting we were informed that our insurance bill was going up from 5 thousand to around \$8,600.00. They were doing a normal increase for the East coast. It turns out that Nationwide Insurance is one of a few over the last year that is insuring oceanfront properties. Condominiums around the beach are twice if not more then what we are paying.

G: Landscape Maintenance: Fall and Spring clean ups, pruning of the bushes and cutting back of the rose bushes.

H: Legal and Accounting: We paid two years of compilation of tax returns this year.

I: Major Repairs:

Date	Num	Memo	Paid Amount	Balance
07/09/02	2535	Pool Furniture, 3 Cement Exterior Trash Cans, Exterior Cement Bench	\$2,352.24	\$2,352.24
07/23/02	2541	Pier One Imports for New Lobby Furniture.	\$1,196.93	\$3,549.17
09/18/02	2560	30 Tubes of NP 1 Tan Material	\$112.50	\$3,661.67
09/20/02	2565	8 (5) Gallons Colorflex Peachtree and Patch Compound	\$1,167.08	\$4,828.75
11/01/02	2579	Add Wash-Sanding-Power Wash and paint two coats to the pool	\$900.00	\$5,728.75
11/01/02	2579	Caulking windows- caulking doors -Changing Monitors (2nd 8 3 rd Floor)	\$380.00	\$6,108.75
11/06/02	2581	1 5 gallon Wht shore sealant - 4 - 5 gallon peachtree sealant	\$890.75	\$6,999.50
11/06/02	2582	New Heating system for pool area, common area, pool water, and Jacuzzi:	\$8,300.00	\$15,299.50
11/06/02	2584	Purchase of New intercoms for the property	\$1,128.40	\$16,427.90
11/06/02	2586	Completion of the sealing of four walls with a Sonnebom coating	\$8,990.00	\$25,417.90
11/06/02	2587	Materials used to prepare pool to be painted.	\$249.84	\$25,667.74
02/06/03	2613	Window work and replace inside a window	\$407.50	\$26,075.24
			\$26,075.24	\$26,075.24

J: Reserves: The budget did not allow us to put funds away for the first eight months. We had 9 owners take part in the 10 monthly payments which used the funds that would normally be allocated to the reserves. The beginning of May we have added another 4 thousand to the reserve fund. It currently stands at 5 thousand for the year. If all the funds come in, we should be able to put another 5 thousand by mid-June and end up just a 1 thousand short for the year.

K: Security: \$575 a year goes to the monitoring of the building and \$400 went to a maintenance guard for Sunday Afternoons last year.

L: Snow Removal: Our contract for snow plowing and sanding was two thousand dollars and the snow shoveling for large storms was \$185.00.

The budget for this year should end within 375 dollars of the stated amount.

Appendix B:

Budget Explanations for the 2003/04 budget

Income

M: The proposed Special Assessment consist of the following:

1. 10 thousand for the Capital Reserve account
2. 10 thousand for a cobblestone landscaping project Phase 1 of 2
3. 2 thousand for work on the back fences.
4. 2 thousand for interior entrance doors to be refinished.

N: The income for 2003/04 is increased by \$1500.00 which is primarily the increase towards insurance costs.

Expenses

O: Capital Reserve: As part of the proposed Assessment is another 10 thousand being added to the reserve fund.

P: Propane: This budget was left the same because of the lowering of the prices and with the new system lower usage.

Q: Insurance: We have increased our budget by 3500 dollars to reflect the new price of the insurance for the next year. Next years price was quoted at \$9500.00

R: Major Repairs:

1. 10 thousand for a cobblestone landscaping project Phase 1 of 2
2. 2 thousand for work on the back fences.
3. 2 thousand for interior entrance doors to be refinished.

S: Security: We have a proposal from a security company to provide security on Sunday Afternoons.