

**THE MASTERS AT PELICAN SOUND
NEIGHBORHOOD ASSOCIATION, INC.**

c/o Collier Financial
4985 Tamiami Trail East
Naples, Florida 34113

NOTICE OF ANNUAL BUDGET ADOPTION MEETING

NOTICE IS HEREBY GIVEN, in accordance with the Association's Bylaws, that the Board of Directors of THE MASTERS AT PELICAN SOUND NEIGHBORHOOD ASSOCIATION, INC. will meet to consider the adoption of the budget for the fiscal year of 2022. The meeting is scheduled for Wednesday, December 8, 2021, 3:30 p.m. and will be held at the Pelican Sound River Club Complex, Sound Room, 4784 Pelican Sound Blvd., Estero, Florida.

A copy of the proposed budget for fiscal year January 1, 2022 to December 31, 2022 is enclosed. For 2022, the Board will consider maintaining the same base quarterly assessment, **\$609** per home. There are multiple cost increases and decreases expected in 2022, but the overall impact is no change to assessment revenue. Please refer to the attached budget and budget notes for additional information regarding the 2022 budget.

AGENDA

1. Certify a Quorum of Directors
2. Call to Order
3. Discuss and Adopt 2022 Budget
4. Other New Business
5. Adjournment

The Board of Directors
THE MASTERS AT PELICAN SOUND
NEIGHBORHOOD ASSOCIATION, INC.

November 24, 2021

THE MASTERS AT PELICAN SOUND NEIGHBORHOOD ASSOCIATION, INC.
PROPOSED BUDGET FOR FISCAL YEAR JAN. 1, 2022 TO DEC. 31, 2022

THE MASTERS NEIGHBORHOOD		2021	2021	2022	Changes	2022
UNITS - 100	2020	ADOPTED	PROJECTED	PROPOSED	from prior	BUDGET
	ACTUAL	BUDGET	ACTUAL	BUDGET	year	NOTES
REVENUE:	\$609/qrtr base fee	\$609/qrtr base fee		\$609/qrtr base fee		No Change to quarterly assessment in 2022
MAINTENANCE ASSESSMENTS	207,200.00	213,600.00	213,600.00	212,400.00	-1,200.00	Eliminate leaf removal, reduction in trees and office/postage partially offset by increases to mailbox repairs, insurance and rodent control.
PAINT RESERVE ASSESSMENTS	32,100.00	26,000.00	26,000.00	25,300.00	-700.00	see Reserve schedule - new funding plan started in 2021 - assume 12 yr cycle with upgraded paint being used in 2021 paint project with possible refresh mid-cycle. Lower funding in 2022 with excess funds remaining from the 2021 paint project
IRRIGATION RESERVE ASSESSMENTS	0.00	0.00	0.00	0.00		Reserve to cover clocks and sensors - fully funded
MAILBOX REPLACEMENT & DEFERRED MAINTENANCE RESERVE	4,300.00	4,000.00	4,000.00	5,900.00	1,900.00	Reserve to replace mailboxes - replaced in 2017 and refurbish/paint as needed. - increase in 2022 - increased estimated replacement cost to replace mailboxes
INTEREST EARNED-RESERVES	1,569.05	500.00	240.85	50.00	-450.00	interest rates disappeared in 2020 after COVID19 - lower for 2021
MISCELLANEOUS INCOME	514.00	300.00	647.00	300.00		conservative estimate - Late fees & Application fees
TOTAL REVENUE	\$245,683.05	\$244,400.00	\$244,487.85	\$243,950.00	(\$450.00)	
EXPENSES:						
ACCOUNTING/TAX RETURN	8,040.00	8,240.00	8,240.00	8,240.00		In 2021 Collier Financial base fee \$605/month, Budget fee \$650 and Tax prep \$330. For 2022 - No change - base fee \$605/month, budget \$650, tax return \$330.
INSURANCE	3,709.00	4,050.00	3,873.00	4,480.00	430.00	In 2021 General Liability \$759, D&O \$1,184, Fidelity Bond \$280, Umbrella \$1,020 and W/C \$630 - total \$3,873. For 2022 insurance agent estimates: General Liability \$875 Fidelity Bond \$308, D&O \$1,362, Umbrella \$1,319 and \$616 for blanket workers compensation policy
IRRIGATION MAINTENANCE	2,254.66	1,300.00	617.41	1,300.00		In 2021 as of 10/28/21, paid Greenscapes \$117.41 for various irrigation repairs on multiple homes. Estimate \$500 to be spent before year end. For 2022, left budget the same
LANDSCAPING	131,052.00	131,052.00	131,052.00	131,052.00		In 2021 Greenscapes \$10,921/mo, mulch not included. For 2022 no increase for Greenscapes per mgr . In 2023 - expect 3% as part of 3 yr contract signed 2021.
LEAF REMOVAL	0.00	3,900.00	0.00	0.00	-3,900.00	New program in 2021 - extra leaf removal done as needed - \$975 per service - 4 months estimated. As of 10/28/21 no expense. Per Mgr no service this year. For 2022, no change - check with BoD if needed - Board voted to eliminate
MULCH	21,800.00	22,600.00	12,552.00	22,600.00		In 2021 Greenscapes to apply to front of homes only - reduced due to late 2020 application before year end. For 2022, no change
MAILBOX REPAIRS	894.00	1,500.00	1,385.00	3,500.00	2,000.00	As of 10/28/21 paid ASAP Mailbox \$935 mailbox repairs. Estimate three more repairs before year end \$150/ea. For 2022, increase - expected increase in repairs
TREE TRIMMING	22,475.00	22,500.00	24,543.70	21,900.00	-600.00	In 2021 Plan - 2X/PALMS \$8,500/trim & Hardwood trim \$5,000. As of 10/29/21 paid Greenscapes \$199.49 to fill where the tree fell, \$9,265 for the summer tree trim of 585 sabel palms, \$605 for planting shady lady and reimb 2 owners for purchase of trees \$1,204.71. Estimate another palm trim \$9,265 and canopy/hardwood trees was budgeted for 2021 so estimate\$3-5K before y/e.. Per Oct 28 secretary notes #3 Hardwoods other than canopy trees in front yards are residents responsibility. For 2022, 2 palm tree trims at \$9,265 per trim plus contingency for front canopy trees.
PROFESSIONAL FEES	3,375.75	1,000.00	1,547.82	1,000.00		In 2021 paid Collier Financial \$157.50 for professional services and \$1,140.32 to Goede violation matters. Estimate \$250 more before year end. For 2022 keep budget the same
MISCELLANEOUS	140.54	645.00	311.25	808.00	163.00	In 2021 paid \$61.25 for Corporate Annual Report. Estimate \$250 more before year end. For 2022 maintain same approx. budget
OFFICE/POSTAGE/ADMINISTRATION & WEB SERVICES	2,871.25	2,500.00	1,929.80	2,000.00	-500.00	Administrative services and postage for Collier Financial and Cambridge Prop Mgmt and web services. Reduce budget for 2022.
PEST CONTROL	0.00	0.00	0.00	0.00		In 2021 Home Team Pest Control \$55/home per qtr. - 1st Qtr billed \$5445 and paid \$880 srv 2/2021; 2nd Qtr billed \$5445 and paid \$5335 srv May/Jun/2021; 3rd Qtr billed \$5445 and paid \$5445 srv 8/2021, 4th Qtr billed \$5445 and service will be done in November
PROPERTY MANAGEMENT	11,100.00	11,433.00	11,100.00	11,100.00	-333.00	In 2021 Cambridge Property Mgmt - \$925/month. For 2022 Cambridge \$925/month
RODENT CONTROL	3,125.00	3,080.00	15,890.00	4,620.00	1,540.00	In 2021 Armstrong \$770 per service to inspect bait stations. Service done Feb, Mar, Apr, June & Aug and in May replaced 65 bait stations \$2,275. BoD approved new stations \$8,225. For 2022 Armstrong \$770/Bi-monthly
RESERVE TRANSFER-INTEREST	1,569.05	500.00	240.85	50.00	-450.00	conservative estimate

THE MASTERS AT PELICAN SOUND NEIGHBORHOOD ASSOCIATION, INC.
PROPOSED BUDGET FOR FISCAL YEAR JAN. 1, 2022 TO DEC. 31, 2022

THE MASTERS NEIGHBORHOOD		2021	2021	2022	Changes	2022
UNITS - 100	2020	ADOPTED	PROJECTED	PROPOSED	from prior	BUDGET
	ACTUAL	BUDGET	ACTUAL	BUDGET	year	NOTES
RESERVE TRANSFER-PAINT	32,100.00	26,000.00	26,000.00	25,300.00	-700.00	see Reserve schedule - new funding plan started in 2021 - assume 12 yr cycle with upgraded paint being used in 2021 paint project with possible refresh mid-cycle. Lower funding in 2022 with excess funds remaining from the 2021 paint project
RESERVE TRANSFER-IRRIGATION	0.00	0.00	0.00	0.00		see Reserve schedule - no change
RESERVE TRANSFER - MAILBOX REPLACEMENT/DEFERRED MAINT.	4,300.00	4,000.00	4,000.00	5,900.00	1,900.00	Reserve to replace mailboxes - replaced in 2017 and refurbish/paint as needed. - increase in 2022 - increased estimated replacement cost to replace mailboxes
RESERVE XFER-EMERGENCY FUND	15,000.00	0.00	0.00	0.00		per 11/8/2019 Board meeting - motioned/approved to establish emergency fund with \$15K cap to be funded by Association retained earnings-to be used to cover hurricane costs or some other unbudgeted need that may arise.
TAXES - FEDERAL	0.00	100.00	0.00	100.00		In 2021 1120H filing for fiscal year 2020 - no tax paid - For 2022 no change.
TOTAL EXPENSES	\$263,806.25	\$244,400.00	\$243,282.83	\$243,950.00	(\$450.00)	
NET INCOME/(LOSS)	(\$18,123.20)	\$0.00	\$1,205.02	\$0.00	\$0.00	
			\$1,708.89	12/31/20 Cumulative Surplus		
			\$2,913.91	12/31/21 Projected Cum. Surplus		
(1) The Association is estimated to end the year with a cumulative operating surplus of approx. \$2,910.						
2022 Assessment Summary:	1Q2022	2Q2022	3Q2022	4Q2022	Total	Change
Operating Assessment	\$531.00	\$531.00	\$531.00	\$531.00	\$2,124.00	
Paint Reserve Assessment	\$63.25	\$63.25	\$63.25	\$63.25	\$253.00	
Irrigation Reserve Assessment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Mailbox Reserve Assessment	\$14.75	\$14.75	\$14.75	\$14.75	\$59.00	
Total Assessment	\$609.00	\$609.00	\$609.00	\$609.00	\$2,436.00	\$0.00
						0.00%
Pest Control Fee (OPTIONAL)	\$55.00	\$55.00	\$55.00	\$55.00	\$220.00	Service provided by HomeTeam. Currently \$55/home/qrtr - 99 of 100 homes participate. For 2021 - no anticipated price change per property mgmt
2021 Assessment Summary:	1Q2021	2Q2021	3Q2021	4Q2021	Total	
Operating Assessment	\$534.00	\$534.00	\$534.00	\$534.00	\$2,136.00	
Paint Reserve Assessment	\$65.00	\$65.00	\$65.00	\$65.00	\$260.00	
Irrigation Reserve Assessment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Mailbox Reserve Assessment	\$10.00	\$10.00	\$10.00	\$10.00	\$40.00	
Total Assessment	\$609.00	\$609.00	\$609.00	\$609.00	\$2,436.00	
Pest Control Fee (OPTIONAL)	\$55.00	\$55.00	\$55.00	\$55.00	\$220.00	
Total 2022 Quarterly Billing Examples:	1Q2022	2Q2022	3Q2022	4Q2022	Total	
With Optional Pest	\$664.00	\$664.00	\$664.00	\$664.00	\$2,656.00	
With No Optional Pest	\$609.00	\$609.00	\$609.00	\$609.00	\$2,436.00	

THE MASTERS at PELICAN SOUND NEIGHBORHOOD ASSN., INC.
PROPOSED RESERVES FOR CAPITAL EXPENDITURES
FOR THE FISCAL YEAR JAN. 1, 2022 TO DEC. 31, 2022

THE MASTERS UNITS - 100	TOTAL LIFE	ESTIMATED REPLACEMENT COST	ESTIMATED REMAINING USEFUL LIFE	ESTIMATED RESERVE 12/31/2021 (*)	AMOUNT NEEDED TO FULLY FUND	YEAR 2021 FUNDING	2022 ANNUAL PER UNIT
EXTERIOR PAINTING - 2027 refresh and 2033 complete	12	\$312,000	11	\$35,092	\$276,908	\$25,300	\$253.00
MAILBOX REPLACEMENT	7	\$35,800	3	\$18,101	\$17,699	\$5,900	\$59.00
MAILBOX DEFERRED MAINTENANCE	5	\$8,000	1	\$8,000	\$0	\$0	\$0.00
IRRIGATION RESERVE	7	\$20,733	1	\$20,733	\$0	\$0	\$0.00
EMERGENCY FUND	1	\$15,000	1	\$15,000	\$0	\$0	\$0.00
TOTALS		\$391,533		\$96,925	\$294,608	\$31,200	\$312.00
Footnotes:							
(*) In addition to the above reserves, the Association has accumulated interest on reserves of approx. \$250.							
Contract to paint houses in 2021 - \$260,500.							
Recent Reserve/Capital expense payment history:							
2020:							
In July 2020 paid Trafford Pressure Cleaning - \$10,022 to clean 31 roofs.							
In October 2020 paid Greenscapes \$309.12 Irrigation work							
2021:							
In Feb-May paid Florida Painters \$260,500 to paint houses. (paint)							