

Eagle Tree Condominium Association, Inc.
Notes on 2023 Proposed Budget

The Eagle Tree Condominium Association, Inc. Board of Directors is pleased to present the 2023 budget. Globally, all costs are rising, and we have budgeted for increased expenses in 2023. Your Board of Directors and Timbers Management team have made every effort to keep the increase as minimal as possible.

The 2023 budget reflects a 7.13% increase over the 2022 assessment. The primary factors that lead to the higher assessment are anticipated non-controllable expense increases with insurance, vendor contracts, management agreement, and supply costs. In addition, for your club to attract and retain staff there have been several necessary wage adjustments made.

While your club anticipates higher expenses in 2023, there remains a significant surplus of \$980,000 from prior years. A \$400,000 portion of that surplus will be applied to the 2023 budget. This is the same amount that was applied to the 2022 budget. Please be aware we do not expect such significant surplus amounts to be applied in future years.

Property taxes are again not included as part of the 2023 assessment. The Association's property tax fund currently has a surplus of \$287,000, which is sufficient to cover the 2023 property tax payment. Based on the current property tax valuation summary from the Palm Beach County Appraiser's Office, the 2023 assessment will be approximately \$150,000. By not collecting the property tax and assuming the assessment is similar, it will reflect a one-time savings of over \$400 per 1/8th ownership interest.

In summary, dues are increasing because of contractual obligations, increasing supply costs, and rising labor costs. The increase is less than the current Consumer Price Index (CPI) and will allow the club to continue to provide the full array of services and benefits to our owners.

The Board of Directors would like to highlight that annual dues remain below the amount that owners were assessed when Timbers became your club manager in 2014. We feel confident this budget provides a good basis for 2023 and future years.

Eagle Tree Condominium Association, Inc. Board of Directors

2023 EAGLE TREE CONDOMINIUM ASSOCIATION, INC. BUDGET

FROM 01/01/2023 TO 12/31/2023

REVENUE	2023 BUDGET	2022 BUDGET	CHANGE
COMMON MAINTENANCE FEES PAID BY MEMBERS	5,296,845	4,917,338	379,507
VACATION PLAN MAINTENANCE FEES PAID BY MEMBERS	3,111,050	2,929,815	181,235
OTHER INCOME (VACATION PLAN SPECIFIC INCOME)	497,901	469,551	28,350
VACATION PLAN SPECIFIC OPERATING SURPLUS	400,000	400,000	-
TOTAL REVENUE	9,305,796	8,716,704	589,092

COMMON EXPENSES			
RENTAL	45,697	47,000	(1,303)
ACCOUNTING	273,603	261,170	12,433
ADMINISTRATION	652,443	595,235	57,208
ANNUAL AUDIT	13,000	12,500	500
DIVISION OF LAND SALES FEE (FL)	5,200	5,200	-
INCOME TAX PREP	3,000	3,000	-
INSURANCE	336,000	278,421	57,579
MASTER ASSOCIATION ASSESSMENT	766,200	689,500	76,700
MANAGEMENT FEE	334,351	282,075	52,277
MARKETING	70,800	95,600	(24,800)
RENT FOR FACILITIES	66,687	65,400	1,287
BAD DEBT EXPENSE	283,200	313,200	(30,000)
BOARD OF DIRECTORS	3,600	6,400	(2,800)
OWNER SERVICES	848,496	783,865	64,631
LANDSCAPE REPLACEMENTS	9,000	9,000	-
CABLE TELEVISION	85,200	78,195	7,005
LEGAL	51,000	51,000	-
SPA ACCESS FEE	402,900	382,750	20,150
ENGINEERING (25%)	160,213	146,696	13,517
LANDSCAPING	319,088	318,756	332
PEST CONTROL	17,497	17,409	88
POOL MAINTENANCE	87,000	43,800	43,200
HUMAN RESOURCES	232,286	200,521	31,765
ADMINISTRATION UTILITIES	-	19,033	(19,033)
COMMON OPERATING EXPENSES TOTAL	5,066,461	4,705,724	360,737

RESERVE FOR REPLACEMENT - COMMON	230,383	211,614	18,769
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PROPERTY TAX FUNDING	-	-	-
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TOTAL CONDOMINIUM COMMON EXPENSES	5,296,845	4,917,338	379,507
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VACATION PLAN SPECIFIC EXPENSES			
WATER / SEWER	179,050	124,055	54,995
ELECTRICITY	253,000	213,529	39,471
GAS	118,566	113,036	5,530
HOUSEKEEPING	1,560,581	1,618,293	(57,712)
INSURANCE (INTERIOR)	26,400	22,397	4,003
MANAGEMENT FEE	273,560	230,788	42,772
ENGINEERING (75%)	480,639	458,087	22,552
CLUB RESERVATIONS	248,552	221,614	26,938
VACATION PLAN SPECIFIC OPERATING EXPENSES	3,140,348	3,001,800	138,548

RESERVE FOR REPLACEMENT - VACATION PLAN	868,603	797,566	71,037
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TOTAL VACATION PLAN EXPENSES	4,008,951	3,799,366	209,585
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TOTAL COMMON & VACATION PLAN EXPENSES	9,305,796	8,716,704	589,092
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TOTAL MAINTENANCE FEES PAID BY OWNERS	8,407,895	7,847,153	560,742
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2023 EAGLE TREE CONDOMINIUM ASSOCIATION, INC. BUDGET
FROM 01/01/2023 TO 12/31/2023
DUES BROKEN DOWN BY OWNERSHIP TYPE

2023 BUDGET		5 Week 2 - Bed		5 Week 4 - Bed		3 Week 2 - Bed		3 Week 4 - Bed		2 Week 2 - Bed		2 Week 4 - Bed		3 2-Bed Whole Ownership
CONDOMINIUM COMMON EXPENSES REVENUE														
MAINTENANCE FEES PAID BY MEMBERS		5,296,845	12,481	13,793		7,488	8,276			4,992	5,517			99,846
EXPENSES														
RENTAL		45,697	108	119		65	71			43	48			861
ACCOUNTING		273,603	645	712		387	427			258	285			5,157
ADMINISTRATION		652,443	1,537	1,699		922	1,019			615	680			12,299
ANNUAL AUDIT		13,000	31	34		18	20			12	14			245
DIVISION OF LAND SALES FEE (FL)		5,200	12	14		7	8			5	5			98
INCOME TAX PREP		3,000	7	8		4	5			3	3			57
INSURANCE		336,000	792	875		475	525			317	350			6,334
MASTER ASSOCIATION ASSESSMENT		766,200	1,805	1,995		1,083	1,197			722	798			14,443
MANAGEMENT FEE		334,351	788	871		473	522			315	348			6,303
MARKETING		70,800	167	184		100	111			67	74			1,335
RENT FOR FACILITIES		66,687	157	174		94	104			63	69			1,257
BAD DEBT EXPENSE		283,200	667	737		400	442			267	295			5,338
BOARD OF DIRECTORS		3,600	8	9		5	6			3	4			68
OWNER SERVICES		848,496	1,999	2,210		1,200	1,326			800	884			15,994
BILLING AND COLLECTIONS		-	-	-		-	-			-	-			-
CABLE TELEVISION		85,200	201	222		120	133			80	89			1,606
LEGAL		51,000	120	133		72	80			48	53			961
SPA ACCESS FEE		402,900	949	1,049		570	630			380	420			7,595
ENGINEERING (25%)		160,213	378	417		227	250			151	167			3,020
LANDSCAPING		319,088	752	831		451	499			301	332			6,015
LANDSCAPE REPLACEMENTS		9,000	21	23		13	14			8	9			170
PEST CONTROL		17,497	41	46		25	27			16	18			330
POOL MAINTENANCE		87,000	205	227		123	136			82	91			1,640
HUMAN RESOURCES		232,286	547	605		328	363			219	242			4,379
ADMINISTRATIVE UTILITIES		-	-	-		-	-			-	-			-
OPERATING EXPENSES TOTAL		5,066,461	11,938	13,194		7,163	7,916			4,775	5,277			95,503
RESERVE FOR REPLACEMENT														
RESERVES FEE		230,383	543	600		326	360			217	240			4,343
COMMON OPERATING EXPENSES AND RESERVE FEE		5,296,845	12,481	13,793		7,488	8,276			4,992	5,517			99,846
ESTIMATED PROPERTY TAXES			-	-		-	-			-	-			-
OPERATING LIFE TO DATE SURPLUS			-	-		-	-			-	-			-
TOTAL CONDOMINIUM COMMON EXPENSES LESS SURPLUS		5,296,845	12,481	13,793		7,488	8,276			4,992	5,517			99,846
VACATION PLAN EXPENSES REVENUE														
MAINTENANCE FEES PAID BY MEMBERS		3,111,050	7,770	8,587		4,662	5,152			3,108	3,435			
OTHER INCOME CREDIT		(497,901)	(1,244)	(1,374)		(746)	(825)			(497)	(550)			
EXPENSES														
WATER / SEWER		179,050	447	494		268	297			179	198			
ELECTRICITY		253,000	632	698		379	419			253	279			
GAS		118,566	296	327		178	196			118	131			
HOUSEKEEPING		1,560,581	3,898	4,307		2,339	2,584			1,559	1,723			
INSURANCE (INTERIOR)		26,400	66	73		40	44			26	29			
MANAGEMENT FEE		273,560	683	755		410	453			273	302			
ENGINEERING		480,639	1,200	1,327		720	796			480	531			
CLUB RESERVATIONS		248,552	621	686		372	412			248	274			
VACATION PLAN EXPENSES TOTAL		3,140,348	7,843	8,668		4,706	5,201			3,137	3,467			
RESERVE FOR REPLACEMENT														
FURNITURE & FIXTURES		868,603	2,169	2,397		1,302	1,438			868	959			
VACATION PLAN OPERATING EXPENSES AND RESERVE FEE MINUS OTHER INCOME		3,511,050	8,769	9,691		5,261	5,815			3,508	3,876			-
VACATION PLAN LIFE TO DATE SURPLUS		(400,000)	(999)	(1,104)		(599)	(662)			(400)	(442)			
TOTAL VACATION PLAN EXPENSES LESS SURPLUS		3,111,050	7,770	8,587		4,662	5,152			3,108	3,435			-
TOTAL MAINTENANCE FEES PAID BY OWNERS 2023		8,407,895	20,251	22,381		12,150	13,428			8,100	8,952			99,846
DUES 2022 WITH SURPLUS			18,904	20,892		11,342	12,535			7,561	8,357			92,692
DUES 2022 NO SURPLUS			18,360	20,291		11,016	12,175			7,344	8,116			91,541
CHANGE (Increase) Reduction			(1,891)	(2,089)		(1,134)	(1,254)			(756)	(836)			(8,304)

* Three 2-bed whole ownership homes are owned by Ritz-Carlton and are not submitted to the Vacation Plan

**Florida Law section 721.13(3)(c)1 rePuires that the budget be filed with a statement of the number of Periods of 7-day annual use availability that exist within the timeshare Plan for with annual fees are rePuired to be Paid to the Division. The fees Paid to the Division are based on 2,600 Periods of 7-day annual use availability (50 units x 52 7-day Periods Per unit). Notwithstanding the forgoing, the fractional Plan for Eagle Tree Condominium Provides for eight 1/8th interests (5 weeks each) in each unit, so only 40 weeks of time in each unit are allocated to owners for use each year.

2022 VS. 2023 Dues Comparison

5 Week 2 Bed				% Increase	5 Week 4 Bed				% Increase
2022	2023	Net Change			2022	2023	Net Change		
\$ 18,904	\$ 20,251	\$	1,347		\$ 20,892	\$ 22,381	\$	1,489	
3 Week 2 Bed				% Increase	3 Week 4 Bed				% Increase
2022	2023	Net Change			2022	2023	Net Change		
\$ 11,342	\$ 12,150	\$	808		\$ 12,535	\$ 13,428	\$	893	
2 Week 2 Bed				% Increase	2 Week 4 Bed				% Increase
2022	2023	Net Change			2022	2023	Net Change		
\$ 7,561	\$ 8,100	\$	539		\$ 8,357	\$ 8,952	\$	595	
Whole Ownership 2 Bed				% Increase					% Increase
2022	2023	Net Change							
\$ 92,692	\$ 99,846	\$	7,154						

Total Maintenance Fees Billed to Owners	
Total Expenses	9,305,796
Other Income	(497,901)
Surplus	(400,000)
Billed Owners	8,407,895

FROM 01/01/2023 TO 12/31/2023

Common Reserves

Expenses	Estimated Fund Balance 1/1/2023	2023 Reserve Funding	Interest Earned	Projected Expenses Per Reserve Study	Estimated Fund Balance 12/31/23 Per Reserve Study	Requested Capital Expenses	Estimated Fund Balance 12/31/23
Building Equipment	118,234	17,233	2,553	-	138,021	-	138,021
Building Painting	211,394	30,814	4,565	-	246,773	-	246,773
Common Areas	48,124	7,015	1,038	-	56,178	-	56,178
Mechanical	484	7	10	-	501	-	501
Pavement	224,077	32,662	4,838	-	261,577	-	261,577
Roofing	978,628	142,651	21,131	-	1,142,410	-	1,142,410
Total Common Reserves	1,580,941	230,383	34,136	-	1,845,460	-	1,845,460

Vacation Plan Reserves

Expenses	Estimated Fund Balance 1/1/2023	2023 Reserve Funding	Interest Earned	Projected Expenses Per Reserve Study	Estimated Fund Balance 12/31/23 Per Reserve Study	Requested Capital Expenses	Estimated Fund Balance 12/31/23
FF&E	5,958,452	868,603	128,656	98,452	6,857,259	-	6,857,259
Total Vacation Plan Reserves	5,958,452	868,603	128,664	98,452	6,857,259	-	6,857,259

Total Vacation & Common Reserves	\$ 7,539,393	\$ 1,098,987	\$ 162,799	\$ 98,452	\$ 8,702,719	\$ -	\$ 8,702,719
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Requested Capital Expenses

Projects Included In Reserve Study	Reserve Study Year	Requested Amount	Reserve Study Amounts	Variance	Comments
Building Equipment-EDR Dishawash and Ice Maker	2023	8,647	8,647		
Building Equipment-Fire/Safety - Security Cameras	2023	11,351	11,351		
Common Areas-Interior Finishes - Carpeting -Ops building, Paint Interior- Ops building	2023	19,512	19,512		
FF&E-Electronics - oTelevision bedrooms	2023	58,942	58,942		
Total		98,452	98,452	-	