

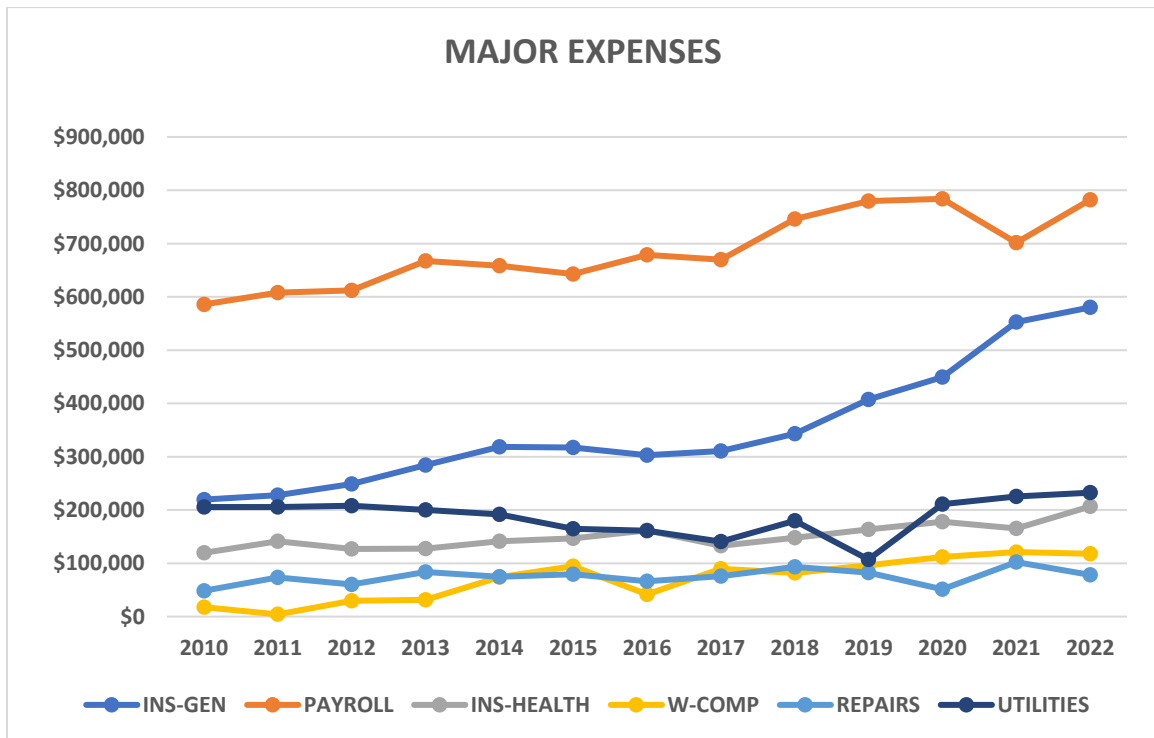
12/20/2021

All Owners

RE: 2022 BUDGET

The Board approved a budget for 2022. The monthly Assessment for the 185 Unit Owners will be \$1,125 per month. The monthly assessment for Class III Owners will be \$825.

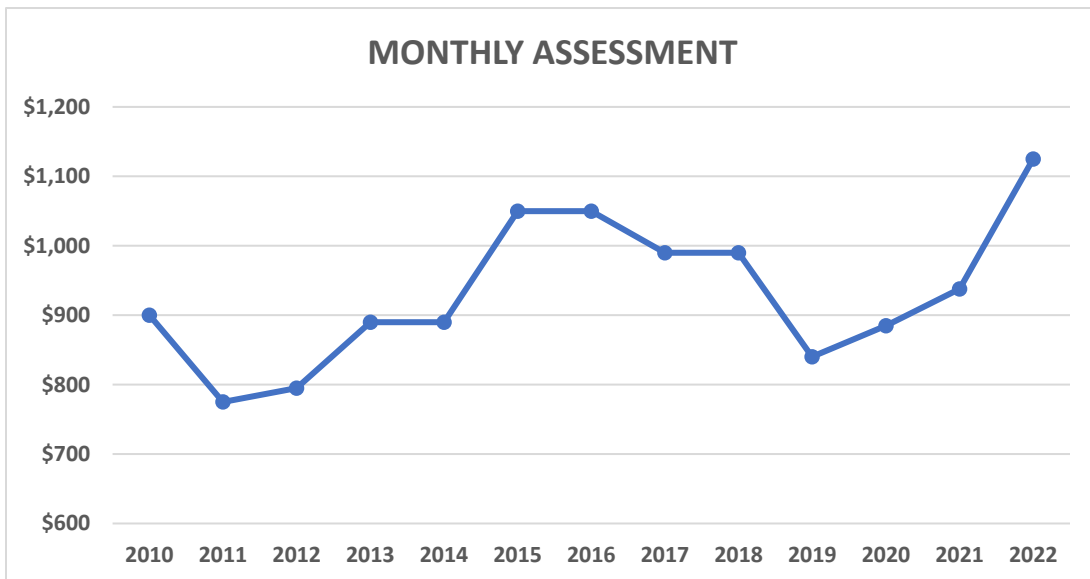
No matter what the Board does, costs go up. Not only do costs go up they are accelerating. The Association is struggling to maintain a workforce. We currently have nineteen employees, down from our normal twenty four. Employers in Avalon are regularly advertising positions comparable to positions available at Hamilton Cove for starting salaries greater than currently being paid at Hamilton Cove. The following graph shows the trends since 2010:



The Board took steps to reduce water and electricity costs which efforts were effective until 2019 as reflected in the graph. Hamilton Cove has 32 water meters. Edison started replacing meters in 2019 including nonfunctioning meters. Edison also started billing for meters is had missed in the past. As a result, utility costs are again climbing.

The cost of insurance is outside of the Board’s control. The cost is driven by what is transpiring in the rest of the world. The Board makes certain that all of the potential markets are actively shopped. The Board is aware of situations in Avalon where people were unable to get fire insurance.

As costs steadily climbed, the monthly assessment did not steadily climb as the Board tried to keep the monthly assessment below \$1,000:



Those are the forces that have driven assessments for 2022 to the levels set out above.

Those of you who attended the Annual Meeting either on Zoom or in the Clubhouse heard some Owners express their concerns regarding maintenance and the landscaping at Hamilton Cove. The Board has the same concerns. Resolving those problems cost money. The last building was completed in 1991, over 30 years ago. Many of the items pointed out by Owners are the result of age and the Association’s proximity to the ocean. Reserves are intended to replace items having a useful life of less than 30 years. Many developing problems with the buildings are not covered by the

Reserves. Landscaping needs work. The deer have not helped. As indicated at the Annual Meeting, come spring the Board will undertake a major upgrading of the landscaping.

Maria Reyes, our Business Manager who joined this year, has brought a new level of professionalism to the Office and the budgeting process. All checks are reviewed by me before they are issued. Unusual expenses are approved before they are incurred. The Board seeks to make certain that your money is well spent. It is not easy.

Full budget below.

Norris

Norris J. Bishton, Jr.
 President
 Hamilton Cove Homeowners Association
 sirron1801@aol.com
 310 337 4866
 714 318 5866 Mobile
 310 459 5356 Home Office

PROPOSED 2022 BUDGET		
CLASS 1 ASSESSMENT \$1,125		
CLASs III ASSESSMENT \$825.		
Assessment		\$2,497,500
Sublease Rent (MLL)		\$50,360
Late Fees and Interest		\$0
Preferred Mooring Fees		\$27,400
Full size vehicle parking fee		\$5,760
Second Cart Parking fee		\$6,480
Rack Storage Fee		\$1,830
Boat Storage Fee		\$5,325
Class III Assessment		\$49,500
Verizon Lease		\$20,210
Massage Room Fees		\$300
Fines and Penalties		\$10,000

TOTAL INCOME		\$2,674,665
Auto Expense		\$12,600
Bank Charges		\$500
Computer Support		\$525
Dues and Subscriptions		\$210
Freight		\$3,000
Functions And Meetings		\$3,500
Golf Course etc. supplies		\$2,500
Insurance, general		\$580,650
Insurance, group health		\$206,521
Insurance, workers comp.		\$117,600
Janitorial Supplies		\$21,000
Internet Site		\$3,000
Landscaping/Groundskeeping		
Plumbing	\$1,500	
Electrical	\$100	
Tools	\$500	
Plants	\$2,000	
Grounds Upkeep	\$2,000	
Equipment Upkeep	\$1,000	
Tree Trimming Expense	\$7,900	
Other		
Total	\$15,000	\$15,000
Legal and Professional		
Accounting	\$15,800	
Legal and Professional	\$5,000	
Total		\$21,800
Lift Station		\$0
Mooring Fees		\$80,000
Office		\$4,515
Pest Control		\$7,350
Pier and Dock		\$37,440
Postage		\$1,050
Reproduction and copying		\$5,039
Repairs and Maintenance		
Appliances	\$2,000	

Boat Storage	\$1,000	
Buildings	\$13,000	
Elevator	\$7,000	
Equipment	\$2,000	
Fire Equipment	\$5,000	
Mooring Maintenance	\$26,000	
Plumbing	\$7,000	
Pool	\$15,000	
Total	\$78,000	\$78,000
Fire Alarm System		\$20,000
Supplies		
Paint	\$22,000	
Plumbing	\$1,000	
Electrical	\$1,000	
Washer/Dryer	\$2,000	
Maintenance	\$7,000	
Total	\$33,000	\$33,600
Licences and Permits		\$1,050
Payroll Taxes		\$73,244
Payroll Acct Fee		\$1,050
Payroll		
Administrative	\$164,500	
Maintenance	\$160,000	
Painting	\$102,000	
Security	\$170,000	
Landscaping	\$147,000	
Bonus		
Other	\$50,000	
Total	\$793,500	\$793,500
Property Taxes		\$11,550
State Taxes		\$980
Telephone		\$68,577
Uniforms		\$4,000
Utilties		
Hazardous Waste Removal	\$4,000	
Trash Removal	\$20,000	
Electricity	\$73,200	

	Water	\$110,000	
	Other		
	Total	\$207,200	\$207,200
	Miscellaneous		\$5,000
	Transfer to Reserves		\$200,000
	MLL Payment		\$50,360
	Provision Fed Tax		\$2,754
	TOTAL EXPENSES		\$2,674,665
	NET INCOME		\$0