

PGA PROPERTY OWNERS ASSOCIATION, INC
2024 - 2025 BUDGET - FINAL

<u>INCOME</u>		BUDGET 2023/24	BUDGET 2024/25
	ANNUAL ASSESSMENTS	\$ 4,941,446.40	\$ 5,137,981.20
	ARC FEES	\$ 33,000.00	\$ 25,000.00
	MAILBOXES	\$ 4,000.00	\$ 4,000.00
	RESALE/FISHING/RENTAL FEES	\$ 15,000.00	\$ 35,000.00
	ST LIGHT REIMBUR BY MARLWOOD, BURWICK, THURSTON, GLENGARY	\$ 70,000.00	\$ 80,000.00
	INTEREST INCOME	\$ 22,000.00	\$ 105,000.00
	LATE FEES (HOMEOWNER INTEREST)	\$ 18,000.00	\$ 20,000.00
INCOME TOTAL		\$ 5,103,446.40	\$ 5,406,981.20
<u>EXPENSES</u>			
UTILITIES EXPENSES			
	ELECTRIC	\$ 119,000.00	\$ 120,000.00
	TELEPHONE/MODEMS	\$ 20,800.00	\$ -
	TELEPHONE w/SECURITY VERIZON/C-CAS	\$ 23,000.00	\$ 44,000.00
	SOFTWARE/SVC SECURITY ABDI PLANS	\$ 21,000.00	\$ 21,000.00
	WATER/SEWER	\$ 7,200.00	\$ 7,500.00
UTILITIES TOTAL		\$ 191,000.00	\$ 192,500.00
ADMINISTRATIVE EXPENSES			
	OFFICE SUPPLIES	\$ 8,000.00	\$ 10,000.00
	PRINTING	\$ 10,000.00	\$ 12,000.00
	POSTAGE	\$ 12,000.00	\$ 15,000.00
	MEETING EXPENSE	\$ 7,000.00	\$ 4,000.00
	AUDIT	\$ 6,500.00	\$ 6,500.00
	LEGAL	\$ 37,000.00	\$ 40,000.00
	FEES,DUES & PERMITS	\$ 450.00	\$ 450.00
	BAD DEBT	\$ 2,000.00	\$ 2,000.00
	INSURANCE - ASSOCIATION	\$ 185,000.00	\$ 300,000.00
ADMIN EXPENSE TOTAL		\$ 267,950.00	\$ 389,950.00
OPERATING EXPENSES			
	PEST CONTROL OFFICES/WHITEFLY/PALM	\$ 13,000.00	\$ 11,000.00
	JANITORIAL/CLEANING SERVICES	\$ 20,000.00	\$ 20,000.00
	RIGHT OF WAY MAINTENANCE	\$ 43,600.00	\$ 43,600.00
	SECURITY CONTRACT	\$ 2,288,000.00	\$ 2,360,000.00
	ALARM MONITORING CONTRACT	\$ 600.00	\$ 600.00
	EQUIPMENT RENTAL	\$ 10,500.00	\$ 11,000.00
	OFFICE RENT	\$ 139,500.00	\$ 144,000.00
	LANG CONTRACT	\$ 1,551,689.00	\$ 1,580,692.00
	CAPITAL IMPROVEMENTS	\$ 300,000.00	\$ 300,000.00
OPERATING EXPENSE TOTAL		\$ 4,366,889.00	\$ 4,470,892.00
GENERAL EXPENSES			
	SIGNAGE	\$ 4,500.00	\$ 5,000.00
	MASTERS PARK IMPROVEMENT/REPAIR	\$ 10,000.00	\$ 15,500.00
	LANDSCAPE IMPROVEMENT/ANNUALS	\$ 68,000.00	\$ 82,000.00
	TREE TRIMMING & REPLACEMENT	\$ 12,000.00	\$ 20,000.00
	COMMUNICATIONS	\$ 500.00	\$ 500.00
	ARC FEES	\$ 6,000.00	\$ 12,000.00
	SPECIAL EVENTS	\$ 50,000.00	\$ 51,000.00
	COALITION DUES	\$ 1,000.00	\$ 2,000.00
GENERAL EXPENSE TOTAL		\$ 152,000.00	\$ 188,000.00
REPAIRS & MAINTENANCE			
	GATE REPAIR, ARM REPLACE/CAMERAS	\$ 10,000.00	\$ 10,000.00
	FENCE REPAIRS	\$ 1,000.00	\$ 10,000.00
	GENERAL REPAIRS & MAINTENANCE	\$ 10,607.40	\$ 16,639.20
	LIGHTING REPAIRS	\$ 8,000.00	\$ 15,000.00
	IRRIGATION REPAIRS/MAINT AGRMT	\$ 22,000.00	\$ 30,000.00
REPAIRS & MAINTENANCE TOTAL		\$ 51,607.40	\$ 81,639.20
REIMBURSABLE EXPENSES			
	STREET LIGHT EXPENSE	\$ 70,000.00	\$ 80,000.00
	MAILBOXES	\$ 4,000.00	\$ 4,000.00
REIMBURSABLE TOTAL		\$ 74,000.00	\$ 84,000.00
TOTAL EXPENSES		\$ 5,103,446.40	\$ 5,406,981.20
LESS OTHER INCOME (ABOVE)		\$ 162,000.00	\$ 269,000.00
TOTAL		\$ 4,941,446.40	\$ 5,137,981.20

\$915.00 per residential lot

FOOTNOTES
PGA PROPERTY OWNERS ASSOCIATION
2024-2025 OPERATING BUDGET

INCOME

Each of the categories listed under “income” is used off-set the total budget. Most of the line items under income (such as ARC fees, mailboxes, Resale/Rental/Fishing) relate to funds received from property owners to off-set expenses for same.

EXPENSES

UTILITIES

ELECTRIC – Relates to cost of street lights, landscape lights, irrigation pump stations, electricity for guardhouses and POA office. The POA revised the street light agreement and in 2019 LED street light fixtures were installed which will provide better light for less overall cost.

TELEPHONE-SECURITY-VERIZON/COMCAST – Telephone service for the POA office and 5 security gates. The budget is based on actual invoices for phone services. A cloud-based phone system was implemented in 2022 for the POA office resulting in a savings. This line item also includes modems to operate the Postage meter and the access control system (gates) main computer. With the 2024/25 budget, the POA office phone systems and the Security phones, and modems (which included the Verizon phone/iPad system for the patrols to complete street light inspections and issue citations) were incorporated a single line item on the budget.

SOFTWARE & SERVICES FOR GATE SYSTEM – This line item reflects the cost of the contract with the gate access company’s “Gold Plan” for servicing the computers running the gate related equipment and the “Officer Pulse” system used by patrol officers.

WATER/SEWER – Water and sewer expenses at guardhouses at Avenue of the Masters, Tournament Blvd, Ryder Cup Blvd North and South, and the Main Communications Center, as well as the POA office.

ADMINISTRATIVE EXPENSES

MEETING EXPENSE – Anticipated cost of room, microphones and seating for Annual Meeting, and other membership meetings held at the Resort or other venue.

LEGAL – Cost of opinions and direction from POA counsel (Evan Bachove). Includes costs for enforcement of violations if not recoverable through courts as well as some lawsuits. Costs for collection work are paid by the delinquent owner; however, if the bank forecloses, the POA is responsible for legal fees for collection incurred up to that date.

INSURANCE – General liability, umbrella policy, fidelity bond coverage, workers compensation coverage and Directors and Officers policy. In 2021 the General Liability premium tripled due to lawsuits and although the figure leveled out last year, insurance industry increases in Florida for 2024 are again impacting this line item.

AUDIT – Cost to engage an independent CPA to annually audit the books and records of the POA and file annual tax return.

TAXES, FEES AND DUES – Intangible and other applicable taxes, as well as sales taxes for resale of barcodes. Also includes cost of filing the Annual Corporate Report with the State and the Bulk Rate mail permits and other similar fees and dues.

OFFICE SUPPLIES – Lang Management pays for office supplies for the POA office within their contract price; however, the POA must pay for other paper goods (such as paper towels, trash bags, toilet paper, soap and similar products) for the four POA Guardhouses and the Communications Center.

POSTAGE – Self-explanatory. Includes postage charges for mailing Annual Meeting notices, assessment notices and budget, and other community mailings and general correspondence.

PRINTING – Cost of printing stationary, forms, major mailings (such as those listed under “postage”) as well as printing the Design Review Manual, Rules Booklets and other POA materials.

BAD DEBT – The Board created a “bad debt” line item in 2009 to help offset a portion of the uncollected assessments due to foreclosures. In further explanation, when a bank takes title to a property, the POA cannot recover assessments the former hasn’t paid; we can only collect the lesser of either 1% of the original mortgage amount of one prior year’s assessment pro-rated from the date of foreclosure. As the banks delay taking title for more than a year, the unrecoverable portion increases resulting in an increase to the total bad debt line item.

OPERATING EXPENSES

LANG CONTRACT – Lang was engaged as of February 1, 1998 to administer the day-to-day affairs of the Association, including preparing monthly financial statements; monitoring the budget and making recommendations regarding investments; conducting regular property inspections of each community for compliance; supervision and coordination of the Architectural Review process; and all exterior pest control, irrigation and landscape related maintenance services (including mowing, fertilization, mulching and annual tree trimming) for the common areas of the POA. A new 5 year contract was negotiated as of July 1, 2022.

RIGHT OF WAY MAINT. – At the April, 1999 Council of Presidents meeting, the POA Board advised that a portion of the road rights-of-way (along Ryder Cup Blvd, Avenue of the Masters, Tournament Blvd, General Drive and Avenue of the Champions) would be maintained by the POA as of July 1, 1999. Maintenance includes mowing, edging and fertilization. This expense also includes the cost to maintain a few areas along the main roads that were being neglected by others (such as the berm between the Legends and Ryder Cup Villas property that is part of the golf course but not easily accessible by them). There has been no increase in the annual cost of this service since it was implanted in 1999.

SECURITY – Annual contract for security services. This is for the gate guards as well as a number of patrol units. Also includes cost for additional patrol on Halloween and other holidays when vandalism may occur. The contract with St. Moritz Security Services was entered into in July, 2022 and it was renewed as of July 1, 2024.

OFFICE RENT – Lease of Office Suite #28 and 29, including taxes and common building maintenance for the POA office located in LA Fitness Plaza.

CLEANING SERVICES – Contract for twice weekly cleaning of POA office and five guardhouses, as well as monthly window cleaning at the POA office.

PEST CONTROL – Monthly pest control contract for POA office and guardhouses as well as special fire ant treatment. Also includes treatment of ficus white fly and Royal Palm treatments and bee hive removal on POA property.

EQUIPMENT RENTAL – Lease contract for a copier/fax machine. This line item covers that lease as well as the lease on the postage meter and credit card processing machine in the POA office.

ALARM MONITORING CONTRACT – Quarterly billing to monitor the security alarm at the POA office.

CAPITAL IMPROVEMENTS – Improvements to common areas such as re-finishing all entry monuments and guardhouses with stone to match the PGA Resort and other major improvements that are not considered “maintenance” are within the Capital Improvements line item. Due to the age of the community, the Board began implementing a few of the projects each year. The majority of the originally established long range plans were completed but enhancement to the PGA Blvd frontage and fitness/playground equipment replacements are included in the new 5-year plan. Each year, any budgeted funds not spent are carried forward so that future projects are funded when the work is ready to be done. This line item was deferred for the 2022/23 fiscal year so that the assessment would not increase; however, it was reinstated on July 1, 2023 so funds will be available for projects planned.

GENERAL EXPENSES

COMMUNICATIONS – This is the cost of the POA website maintenance (www.pga-poa.com)

SIGNAGE – Maintenance and repair of POA common area signs and street signs.

TREE TRIMMING & REPLACEMENT – Cost for rotating annual tree trimming is included in the Lang Management contract; however, any interim pruning or emergency removal or replacement is covered in this line item.

LANDSCAPE IMPROVEMENTS/ANNUALS – Anticipated cost of summer and winter annuals in the common areas, as well as various replacements needed when plant material dies. This line item also covers funding of improvements recommended by the Maintenance Committee as approved by the Board.

SPECIAL EVENTS – Cost of Holiday Lighting contract, staff bonuses and other POA sponsored events as planned by the Special Events Committee and approved by the Board of Governors.

MASTERS PARK IMPROVEMENT/REPAIR– A long-term plan was implemented to create a park without imposing a Special Assessment. During the 2000/01 fiscal year, the landscape buffer, walking path and exercise stations were constructed and the “Theme Gardens” were added during subsequent years, including the most recently added “Tropical Garden” with gazebo. This line item is for repairs and maintenance, including replacement of dead trees or shrubs, re-surfacing paths and miscellaneous maintenance of benches and the gazebo. Four of the “theme gardens” were replanted in 2023 and a fixed “additional specialized maintenance” agreement was executed to maintain these gardens that have specialty plants. Remaining gardens are scheduled to be replanted.

COALITION FEES – The POA is part of the North County Neighborhood Coalition, made up of representatives from a number of communities in the areas around PGA National who monitor development in the area to ensure the existing communities are protected and not adversely affected by new development in the area.

ARC FEES – This line item covers charges for architects and other consultants used to review requests when submission is made to the “ARC” (Architectural Review Committee) for modifications and/or new construction. The owner of the property is required to pay a fee to cover the cost of these professionals and that income off-sets this line item. (See Income portion of budget).

REPAIRS & MAINTENANCE:

IRRIGATION REPAIRS/MAINT AGREEMENT – Regular, routine maintenance of irrigation. Lang Management’s contract covers the cost of head replacement; this line item covers the cost of maintaining pump stations, valves and repairs to the main irrigation lines (underground) due to the aging pipes in the ground. All six irrigation pump stations were replaced with the work completed in 2021 so the annual maintenance agreement for the pumps is now included in this line item.

GATE REPAIRS – Repairs to the gates and gate operators. These expenses include the cost of replacement gate arms and cameras that were added inside the gate houses and at the entry and exit lanes (to photograph drivers and/or license plates). This line item includes any anticipated repairs to gate and camera equipment as well as the replacement of gate arms.

FENCE REPAIRS – Repairs to the perimeter fencing on POA property (i.e.: along PGA Blvd).

LIGHTING REPAIRS – Cost of repairs to “Cobra” lights along Fairway Drive and Avenue of the Champions, as well as repairs to landscape lights in POA common areas and in and around guardhouses.

GENERAL REPAIRS/MAINTENANCE – Miscellaneous maintenance and repairs to POA office, five guardhouses and common areas/parks due to regular wear and tear and general repairs not covered under a specific line item above.

REIMBURSABLE EXPENSES

STREET LIGHT EXPENSE – The four original single-family home communities in PGA (Marlwood, Burwick, Glengary and Thurston) pay for street light expenses in their communities billed on the POA’s lighting agreement with FPL. (See Income portion of budget).

MAILBOXES – The POA purchases mailboxes and posts for new homes and replacements due to damage and/or deterioration. Owners are charged the actual cost of the mailbox and installation (See Income portion of budget).