

**THE SURF CLUB OF MARCO, INC**

**PROPOSED ANNUAL BUDGET**

**JANUARY 1, 2010 THROUGH DECEMBER 31, 2010**

Description	2010 Annual Budget	2010 Per Unit/ Week	2009 Per Unit/ Week	2009 Annual Budget
<b>REVENUE</b>				
Association Fees	1,625,059	724.18	735.30	1,650,021
Late Fee Income	13,200	5.88	6.71	15,050
Interest Income	0	0.00	4.99	11,200
Dividend Income	0	0.00	0.00	0
Sales Rent Income	9,660	4.30	4.30	9,660
Vending Income	2,525	1.13	1.30	2,925
Concession Income	6,780	3.02	3.02	6,780
Rental Revenue	0	0.00	1.78	4,000
Prior Year Surplus (Deficit)	(44,880)	(20.00)	(1.00)	(2,244)
Other Revenue	360	0.16	0.13	300
<b>TOTAL OPERATING REVENUE</b>	<b>1,612,704</b>	<b>718.67</b>	<b>756.55</b>	<b>1,697,692</b>
<b>ADMINISTRATIVE</b>				
Annual Audit	6,504	2.90	2.76	6,204
Bad Debt Expense	5,000	2.23	2.23	5,000
Other Administrative Expenses	49,720	22.16	24.73	55,490
Postage, Printing, Newsletter	17,600	7.84	8.81	19,775
Management Fees	89,928	40.07	40.07	89,928
Division Fees	4,488	2.00	2.00	4,488
Financial Services Fees	28,680	12.78	12.53	28,116
Board Reimbursement	10,900	4.86	4.86	10,900
<b>Total</b>	<b>212,820</b>	<b>94.84</b>	<b>98.00</b>	<b>219,901</b>
<b>OPERATING EXPENSE</b>				
Office, Desk	329,395	146.79	155.97	350,006
Housekeeping, Laundry, Supplies	274,855	122.48	127.09	285,186
Security Provisions	46,335	20.65	21.28	47,742
Grounds & Landscaping	51,428	22.92	29.12	65,336
Pool & Spa	28,200	12.57	10.96	24,600
Recreation	25,228	11.24	11.24	25,228
Store	0	0.00	0.00	0
<b>Total</b>	<b>755,441</b>	<b>336.65</b>	<b>355.66</b>	<b>798,097</b>
<b>UTILITIES</b>				
Electric	67,000	29.86	30.92	69,375
Water, Sewer, Gas	99,120	44.17	50.71	113,792
Waste Disposal	8,160	3.64	3.53	7,920
Telephone	8,100	3.61	3.74	8,400
Cable Television	14,712	6.56	6.55	14,706
<b>Total</b>	<b>197,092</b>	<b>87.83</b>	<b>95.45</b>	<b>214,193</b>
<b>BUILDING</b>				
Maintenance - Service, Equipment, Supplies	175,766	78.33	82.28	184,642
Building & Equipment Contracts	2,206	0.98	3.48	7,800
Elevator Contracts	1,980	0.88	6.42	14,400
<b>Total</b>	<b>179,952</b>	<b>80.19</b>	<b>92.18</b>	<b>206,842</b>
<b>INSURANCE &amp; TAXES</b>				
General Insurance	268,548	119.67	117.05	262,659
Income Tax	2,052	0.91	2.67	6,000
Taxes Upon Timeshare Property (Ad Valorem Taxes)	n/a	n/a	n/a	n/a
Taxes Upon Leased Areas	n/a	n/a	n/a	n/a
<b>Total</b>	<b>270,600</b>	<b>120.59</b>	<b>119.72</b>	<b>268,659</b>
<b>SALE OF ASSOCIATION WEEKS</b>				
Sale of Association Weeks	(16,000)	(7.13)	(8.91)	(20,000)
Cost of Sales	12,800	5.70	4.46	10,000
<b>Total</b>	<b>(3,200)</b>	<b>(1.43)</b>	<b>(4.46)</b>	<b>(10,000)</b>
<b>OPERATING EXPENSE TOTAL</b>	<b>1,612,704</b>	<b>718.67</b>	<b>756.55</b>	<b>1,697,693</b>
<b>OPER. PROFIT/(LOSS)</b>	<b>0</b>	<b>0.00</b>	<b>(0.00)</b>	<b>(0)</b>

	Statutory Reserve Funding				With Owner Waiver of Statutory Reserve Funding	
	2010 Annual Budget	2010 Per Unit/ Week	2009 Per Unit/ Week	2009 Annual Budget	2010 Annual Budget	2010 Per Unit/ Week
<b>RESERVE REVENUE</b>	480,290	214.03	164.42	368,951	414,870	184.88
<b>RESERVE EXPENSES</b>						
<b>Capital Reserves:</b>						
Interior	352,369	157.03	83.87	188,193	258,947	115.40
Roof	11,666	5.20	3.27	7,343	7,343	3.27
Paving	1,097	0.49	0.70	1,579	1,579	0.70
Capital Improvements	85,068	37.91	62.96	141,272	108,853	48.51
<b>Total</b>	<b>450,200</b>	<b>200.62</b>	<b>150.80</b>	<b>338,387</b>	<b>376,722</b>	<b>167.88</b>
<b>Painting Reserve</b>	30,090	13.41	13.62	30,564	38,149	17.00
<b>Total</b>	<b>30,090</b>	<b>13.41</b>	<b>13.62</b>	<b>30,564</b>	<b>38,149</b>	<b>17.00</b>
<b>RESERVE EXPENSE TOTAL</b>	<b>480,290</b>	<b>214.03</b>	<b>164.42</b>	<b>368,951</b>	<b>414,870</b>	<b>184.88</b>
<b>RESERVE PROFIT/(LOSS)</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>

Summary	Statutory Reserve Funding				With Owner Waiver of Statutory Reserve Funding	
	2010 Annual Budget	2010 Per Unit/ Week	2009 Per Unit/ Week	2009 Annual Budget	2010 Annual Budget	2010 Per Unit/ Week
<b>OPERATING FEE</b>	1,625,059	724.18	735.30	1,650,021	1,625,059	724.18
<b>CAPITAL RESERVE</b>	450,200	200.62	150.80	338,387	376,722	167.88
<b>PAINTING RESERVE</b>	30,090	13.41	13.62	30,564	38,149	17.00
<b>SPECIAL ASSESSMENT</b>	0	0.00	0.00	0	0	0.00
<b>NET BEFORE CREDITS</b>	<b>2,105,350</b>	<b>938.21</b>	<b>899.72</b>	<b>2,018,971</b>	<b>2,039,930</b>	<b>909.06</b>
<b>CREDITS</b>						
<b>PAINTING RESERVE REFUND</b>	0	0.00	0.00	0	0	0.00
<b>OPER. SURPLUS REFUND</b>	0	0.00	0.00	0	0	0.00
<b>TOTAL CREDITS</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>TOTAL AMOUNT BILLED</b>	<b>2,105,350</b>	<b>938.21</b>	<b>899.72</b>	<b>2,018,971</b>	<b>2,039,930</b>	<b>909.06</b>