

Surf Rider Condominium Association, Inc.
Annual Budget
January through December 2019

	Budget 2018	Budget 2019
Income		
Maintenance, Taxes & Reserves		
Maintenance Fees -Net of Surf Rider Units)	975,000	922,707
Reserves	122,215	119,214
Real Estate Assessments	44,567	44,844
Legal Deed Backs	25,000	30,000
Legal Foreclosure Income	15,000	
Transfer Fees	4,000	2,700
Internal Exchanges	7,000	8,600
Late Fees	5,000	3,800
	1,197,782	1,131,864
Rental Income		
Rental Of Association Weeks	102,000	110,000
Rental Commissions	15,000	28,000
Credit Card Processing Fees	6,500	8,500
	123,500	146,500
Surf Rider Shared Services		
	88,000	88,000
Other Income		
Interest Earned	4,230	6,000
Other Income- (Refunds Workers Comp, Insurance, Misc)	12,000	7,000
Vending	1,200	1,200
Surfrider Sales	5,500	15,000
Telephone	250	250
Laundry	5,500	1,800
	28,680	31,250
Total Income	1,437,962	1,397,614
Expenses		
Payroll, Taxes & Fringes		
Housekeeping Labor	108,608	135,000
Maintenance Labor	71,448	75,000
Administration-Labor-Manager & Acct Under Contractual Ser	168,730	152,568
FICA/Medicare	26,682	27,736
Taxes - State U.C.	4,347	6,000
Taxes - Federal U.C.	1,300	900
Health Insurance	21,120	9,000
Workers Comp Claims	2,500	
Payroll Processing Fees	3,100	3,300
	407,835	409,504
Utilities		
Electricity	51,450	48,500
Water	42,000	37,000
Gas	16,000	16,500
Garbage	8,800	8,000
Internet	2,600	5,500
Telephone - Office	7,000	8,400
Cable	14,000	9,100
	141,850	133,000
Repairs & Maintenance		
Maintenance & Supplies	51,000	45,500
Elevator Service Contract	3,092	5,800
Elevator Repairs	1,500	1,500
Housekeeping - Supplies	17,171	9,000
Unit Cleaning	3,000	12,000
Pest, Sewer, Fire	9,300	9,000
Lawn Maintenance	13,500	12,000
Lawn Maintenance-Surf Sider	2,400	2,400
Tree Trimming		6,000
Uniforms	2,000	400
Pool Expenses	24,000	27,000
Depreciation	1,500	7,500
Security		
Beach Supplies	750	500
	129,213	138,600
Insurance		
	118,157	118,157
Overhead Costs		
Auditing	11,000	11,550
Advertising	10,000	8,000
Bad Debts	35,000	
Bank Charges & Credit Card Processing Fees	15,500	25,000
Contracted Controller	65,000	65,000
Contracted Property Manager	132,000	144,000
Legal Foreclosures	15,000	
Legal	3,000	15,000
Office Supplies	14,000	12,500
Postage	1,800	9,000
Surf Rider Activities	14,500	11,000
Computer Consultant	12,000	13,020
Licenses & Permits	7,100	7,600
Taxes-IRS	2,000	26,000
Software Maintenance Fees	4,800	5,134
Small Equipment Purchases	5,000	
Miscellaneous	2,500	2,000
Property Taxes	63,075	63,352
Board Expenses	4,500	5,500
Other	51,132	2,697
	468,907	426,353
Reserve Funding		
	172,000	172,000
Total Expenses and Reserve Funding	1,437,962	1,397,614

NOTE: 2018 AUDIT REPORT WILL BE AVAILABLE TO ANY OWNER AT NO CHARGE AFTER 3/31/2019

ANNUAL MEETING OF THE MEMBERS
of the
SURF RIDER CONDOMINIUM ASSOCIATION, INC.
Held on February 5, 2019

The Annual meeting of the Members of the Surf Rider Condominium Association, Inc. was held at the Surf Sider Resort on February 5, 2019. The meeting was called to order at 7:00 P.M. by President Kevin Harvey, who welcomed the Members present. Also, in attendance were Scott Lattimer, Vice President and Treasurer, and Michael A. Sobel, Secretary. General Manager Sobel introduced the staff of the Surf Rider attending, Nadia Shaver, Operations Manager, Alex Kalinin, new Accountant, and Attorneys Jeff Sobel and Brian Sobel, Representatives of the Sobel Law Firm.

1. NO ELECTION: It was announced by Michael Sobel that there would be no election, in that, only 3 owners were running for the 3 open Board Member seats. Thus, Joseph Baris, Jr. Would be automatically appointed to the Board of Directors and that the Board Organizational Meeting would follow directly after the Annual Owner's Meeting.

Further, since no formal business was on the agenda, there was no need to establish a quorum. Affidavits of Mailing were confirmed for the FIRST Notice of Annual Meeting on December 28, 2018, and the SECOND Notice of Meeting on January 18, 2019.

2. READING OF THE MINUTES: A motion was made to waive and approve the reading of the 2018 Annual Meeting Minutes.

MOVED BY: Joseph Baris, Jr.

SECONDED BY: Scott Lattimer

Yeas: Unanimous: X

3. FINANCIAL UPDATE: Part 1 presented by Michael Sobel, General Manager: 2018 Total Rental income was up significantly for both Owner and Association owned weeks: Total Rental income for the year was \$203,500. Owners: \$137,260.00; SR UNITS: \$66,240.00; and SR Adm Rental Fees: \$27,452. Also, after 2018 Deed Backs, there are 1736 owner weeks and 814 SR owned weeks (Total 2,550).

Status of audit and 2019 Proposed Budget: Part 2 presented by Alex Kalinin: The 2019 Budget that had been prepared by former CPA, Irwin Williams, and sent out to all Owners in the First Notice of Meeting mailout.

Motion was made to be sure to have copies of proposed budgets at next year's meeting.

MOVED BY: Joseph Baris, Jr.

SECONDED BY: Scott Lattimer

Yeas: Unanimous: X

The 2018 Annual Audit was not available at the time of this meeting but had been started and will be completed on or before March 31, 2019, and when received from our Accounting Firm will be made available to owners upon request at no charge.

Accountant A. Kalinin discussed the Annual Budget in detail covering Income and Expenses, as well as highlighting the areas of concern. Questions by the Members were addressed.

MOVED BY: Joseph Baris, Jr.

SECONDED BY: Scott Lattimer

Yeas: Unanimous: X

4. STATUS OF SURF RIDER presented by Operations Manager, Nadia Shaver:

Attached and incorporated by reference herein are two reports summarized and presented at the meeting by Operations Manager, Nadia Shaver.

5. 2021 ASSOCIATION TERMINATION REPORT: Presented by M. Sobel: Mr. Sobel presented and discussed the anticipated 2021 Association Termination Vote contained in the recorded documents. The Board had previously authorized a building appraisal (\$9.6 million) and retained Lisa McGill, attorney, with the law firm Kaye, Bender & Rembaum, PL to prepare a formal Opinion Letter and help determine the financial practicalities of a Timeshare Association Termination. Issues such as attorneys' fees, real estate commissions, easements, actions to clear titles, tenancy in common and zoning were some factors considered. The vote to NOT Terminate the Association will be brought early, prior to 2021, upon proper notice given to all owners, as soon as there were enough Owner Limited Proxies and Association owned units available to attain a majority at an election to NOT Terminate the Timeshare Association in accordance with the documents.

6. OLD BUSINESS: None

7. NEW BUSINESS: None

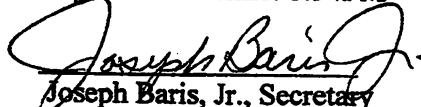
8. **ADJOURNMENT:** There being no more new business to come before the meeting: "BE IT RESOLVED that the meeting be adjourned."

MOVED BY: Joseph Baris, Jr.

SECONDED BY: Scott Lattimer

Yeas: Unanimous: X

Adjournment Time: 8:34PM


Joseph Baris, Jr., Secretary

Recorded this 19 day of February, 2020.

BOARD ORGANIZATIONAL MEETING CALLED TO ORDER:

Subsequent to the meeting, the Board had its authorization meeting and unanimously agreed to:

Kevin Harvey will serve as President,

Scott Lattimer will serve as Vice President & Treasurer and

Joseph Baris, Jr. will serve as Secretary.

ADJOURNED at 8:36PM



1441 S. OCEAN BLVD.
POMPANO BEACH, FL 33062
PHONE: 954-785-8991
FAX: 954-782-2338
WEB: surfridercondo.com
EMAIL: customercare@surfridercondo.com

Annual Surf Rider Newsletter November 2019

Dear Surf Rider Condominium Association Owners,

2019 has been another successful year at the Surf Rider under the direction of your Board of Directors, currently comprised of Kevin Harvey, President and Scott Lattimer, Vice President/Treasurer and Joseph Baris, Secretary. The next Annual Owner's Meeting is set for Tuesday, February 4, 2019 at 7:00pm at Surf Sider 1443 S Ocean Blvd., Pompano Beach, FL 33060.

The Board of Directors of the Surf Rider Condominium Association, Inc., is responsible for maintaining the grounds and property, while continuing to initiate improvements for the benefit of all owners and guests. In addition to the normal maintenance, upgrades and repairs, the Association lost revenue due to a week mandatory Hurricane closure and spent nearly \$37,000.00 on emergency pool system repairs that took nearly 10 days to complete.

We continue to strive to bring improvements, more comfort, quality vacation time and enjoyment to our owners and guests. Indeed, based on scores compiled by RCI from 2019 the Surf Rider Resort has again attained Silver Crown status and highly recommended. Upon arrival, you may notice many improvements, including new interior paint, new carpet, new pool lights, new spa surface, new showerheads, rods and curtains, deep cleaning, popcorn ceiling removal, new Murphy Beds in some rooms, new dryer and A/C pans, vents, new tile floors in 11 rooms, parking lot striping and so much more. Virtually every operating system has been evaluated, updated and improved. We are proud of the regular compliments about the resort cleanliness, upgrades and improvements.

Michael Sobel is our general manager (Msobel@surfridercondo.com). Nadia Shaver is the operations manager (Nshaver@surfridercondo.com). Alex Kalinin is our controller and can be reached by telephone at: (954) 785-8991 ext 102 or via email at: Akalinin@surfridercondo.com. Kayla Grieco is Administrative assistant (all inquiry regarding RCI and Internal Exchange) can be reached at 954-785-8991. The front desk can be reached by telephone at (954) 785-8991 or via email at: customercare@surfridercondo.com. For questions regarding Deed Backs and/or transfers and/or adding additional names with rights of survivorship you may contact attorney Jeff Sobel (JeffreySobelLaw@gmail.com).

Please remember to return your annual PAYMENTS and COUPONS promptly and directly to the TD Bank lock box. They have been mailed out with a breakdown of the taxes, maintenance and reserves. It is solely the owners' responsibility to make sure that the annual assessment is paid by January 1, 2020. If you do not receive an invoice for 2020, please contact us immediately. **PLEASE BE SURE TO MAIL A SEPARATE CHECK WITH EACH COUPON AND PUT YOUR SURF RIDER CONTRACT NUMBER ON ANY PAYMENTS TO AVOID A DELAY IN YOUR ACCOUNT BEING PROPERLY CREDITED.**

We hope you enjoy your next stay at the resort. If there is anything, we can do to improve your next visit, please let our staff know. We wish all of our Surf Rider family a happy and healthy holiday season and New Year.

Board of Directors

Kevin Harvey, President

Scott Lattimer, Vice President, Treasurer

Joe Baris, Secretary

Enclosure: 2020 Proposed Budget