

12/1/2011



Steve Snider, President  
Bermuda House Association  
328 N. Ocean Blvd, Pompano Beach, Fl. 33062

Dear Owners,

The purpose of this letter is to communicate recent Association business to owners. I would like to forward to owners a copy of a recent email I sent the Board of Directors regarding progress the Association has made in regard to management of Association financials. I believe this email will give owners insight into where we have improved and where we need to improve.

"Board, I thought it would be interesting to go back to the 2009 period of 10/01/09 to 10/30/09 Profit and Loss statement and compare to this year.

Utilities:

> Our natural gas bill as of 10/31/09 was \$11,831. This year as of 10/31/11 it is \$988.63 YTD this reflects a savings of \$10,842.37 in a eleven month period. The solar pool heater is a success.

> Electric bill as of 10/31/09 was \$35,635.98. This year as of 10/31/11 it is \$31,807.59. Not sure how this happened. Must be due to our management and staff....Or we are behind on a payment... just kidding Sherri.

> Telephone bill as of 10/31/09 was \$4051.15. This year as of 10/31/11 it is \$3617.51. Savings of \$433.64 and with our new telephone contract Sherri recently acquired...2012 will be much better.

> Water/sewer/sanitation as of 10/31/09 was \$44,615.92. This year as of 10/31/11 it is \$44,850.84. Rates have gone up considerably and we are at this number due to good management of our sprinkler system. We can improve with the installation of front load washers, complying with sprinkler laws, and urging all owners to upgrade their toilets.

Administrative Expenses: 10/31/09 were \$276,282.57 and this year as of 10/30/11 are \$262,993.04. Difference of \$13,289.53.

Includes:

> Accounting fees as 10/31/09 were \$7487.50 and this year as of 10/31/11 are \$3987.50. Difference of \$3500.00 Thank you Frank & Sherri.

> Legal fees as 10/31/09 were \$7762.57 and this year as of 10/31/11 are \$1465.00 Difference of \$6297.57. This reflects our manager handling owner issues without litigation.

> Employees insurance and workman's comp was \$5973.83 as of 10/31/09 and this year as of 10/31/11 is \$1784.00. Difference of \$4189.83. This is a result of our decision to eliminate employee insurance and hire contractors.

> Insurance as of 10/31/09 was \$147,370.00 and this year as of 10/31/11 it is \$139,907.00 Difference of \$7463.00 Treasurer Bill and Accountant Frank deserve credit for this. I have phoned Bonnie at Furman Ins regarding the recent newspaper article that says there is a 10% increase with Citizens Ins and Bonnie claims it will not affect us in 2012.

> Office supplies and expenses are up this year by \$2850.79. Over budget by \$3000.00. We need to

improve here in 2012.

> Postage is down \$590.39 due to policy change regarding email and posting on website.

> Laundry income was \$4935.81 as of 10/31/09 and as of 10/31/11 is \$7265.00 as of 10/31/11. Difference of \$2329.19. Thank you Joann.

> Landscaping/lawn care as of 10/31/09 was \$17,024.00 and as of 10/31/11 it is \$12,004.95. Difference of \$5019.05 and our landscaping has never looked better. Thank you Rick and Manager Sherri.

> Building repairs/maintenance as of 10/31/09 was \$13,596.81 as of 10/31/09 and as of 10/31/11 are \$10,691.78. Difference of \$2905.03. This is due to our maintenance man Willy performing various duties we previously hired contractors to perform. Thank you Willy.

> Building supplies as of 10/31/09 were \$12,675.51 and as of 10/31/11 are \$8578.10. Difference of \$4097.41. This savings is due to our Manager Sherri shopping for the best deal on building supplies. Good job Sherri.

> Security system as of 10/31/09 was \$5301.30 and as of 10/31/11 is \$1956.61. Difference of \$3344.69 and we added several cameras this year. Thank you again Manager Sherri.

Summary:

The BHA is on the right path and for the most part I see a big improvement over the past two years in expenses. I would like to express my appreciation to Manager Sherri & staff for their dedication which is clear in comparing this financial report to one two years ago. There is still plenty of excess in the 2012 Budget. Please remain aggressive in cutting unnecessary expense in 2012 and I will request the Board approve a Bonus for Manager and staff.

Thank you for your dedication, Steve S "

The mission of this Board of Directors and staff is to maintain the Bermuda House to a very high standard and spend the owners money wisely.

Our Manager Sherri in addition to the office hours of 9:00am to 1:30 pm often works later, does considerable Association business work at home and is on call 24/7 for emergencies which are often in regard to flooding of unit owner residences caused by old hot water heaters, toilet floats/seals failing and unit owner air conditioners not being serviced annually which results in the condensation drain hose plugging up. Owners too often fail to shut-off the main water valve when they leave the unit for extended periods of time. Please shut-off the main water valve as required by Association Rules, arrange service for your air conditioner by a professional and renew your hot water heater if it is over 8 years old. If you still have a old toilet please be aware that the wax ring toilet seal is most likely time expired and the float valve requires service from a professional plumber. This would be a good time to renew that old toilet with a more water efficient type. Please be considerate of your neighbors who are too often being charged up to \$3,800. by water intrusion/mold prevention clean up companies due to negligence by a neighbor.

Vendor contracts and insurance policies are being negotiated and energy saving improvements to the property continues. The beach improvements are also progressing. 2012 looks like a good year.

Happy holidays, Steve Snider