



Unparalleled Property Services

December 3, 2024

RE: Atlantic Ocean Club 2025 Approved Budget

Dear Atlantic Ocean Club Owners,

The 2025 Budget Meeting was held on Wednesday, November 20th. For those who were unable to attend, we want to ensure you have the latest and most accurate information. We are happy to inform you that we did reach a quorum and were also able to waive the reserves however, the Board did vote to make a revision to the 2025 Budget. Enclosed, you will find a copy of the revised and approved 2025 Budget with the change highlighted on the second page. This adjustment was necessary to address the 2024 Operating Budget deficit and to fund the anticipated interest-only payments on our new 2025 line of credit for upcoming projects. These additional funds are needed as we begin using the line of credit to finance the 50-year recertification project and complete any outstanding projects.

Please take a moment to review the updated budget. Should you have any questions or need further clarification, don't hesitate to reach out to the Management Office at (954) 563-2425.

Sincerely,
Castle Management, LLC.
For the Atlantic Ocean Club Board of Governor's

Atlantic Ocean Club Condominium Apartments, Inc.
Approved Budget for the Period January 1, 2025 - December 31, 2025

GL Code	Description	2024 Approved Budget	2025 Approved Budget (No Reserves)
<u>REVENUE</u>			
Owner Assessments			
400100	Unit Owner Assessments	3,385,535.15	3,976,361.57
400155	Cable TV Assessment	247,000.00	226,100.00
	Total Owner Assessments (before Reserves)	3,632,535.15	4,202,461.57
	Reserve Assessment - SIRS		-
	Reserve Assessment - Non-SIRS		-
	Total Reserve Assessments		-
	Total Owner Assessments	3,632,535.15	4,202,461.57
Other Income			
400300	Screening & Estoppel Fees	-	-
400400	Late Fees	2,500.00	2,000.00
400506	Cabana Income	37,500.00	15,000.00
420134	Laundry Income	12,000.00	12,500.00
420165	Storage Lockers / Kayak Racks	8,000.00	8,000.00
420200	Ocean Suite	40,000.00	25,000.00
420900	Unit Services / Miscellaneous	5,000.00	1,000.00
	Total Other Income	105,000.00	63,500.00
	Total Assessments and Other Income	3,737,535.15	4,265,961.57
	Total Revenue	3,737,535.15	4,265,961.57
<u>EXPENSES</u>			
Payroll			
Wages (including employer paid payroll taxes)			
555100	Administration	230,199.00	294,364.90
555200	Maintenance	195,635.78	243,169.78
704244	Front Desk/Security	472,754.80	484,204.80
555402	Time off and Holiday Coverage	27,761.00	32,278.00
	Total Wages (including employer paid payroll taxes)	926,350.58	1,054,017.48
	Health Insurance		
555655	Personnel Health Insurance	112,272.00	122,520.00
	Total Payroll	1,038,622.58	1,176,537.48
Insurance			
510100	Property Insurance (includes Wind) ⁽⁴⁾	1,043,377.10	1,190,554.42
510101	Property Insurance - Contingency	50,000.00	40,000.00
510115	Umbrella Insurance	12,522.34	45,992.17
510125	Flood Insurance	29,178.34	29,178.34
510130	D&O Insurance	18,317.11	17,188.08
510145	Boiler & Machinery Insurance	4,850.16	4,912.42
510150	Workers Comp Insurance	598.25	509.00
510165	General Liability Insurance	50,019.75	102,790.92

Atlantic Ocean Club Condominium Apartments, Inc.
Approved Budget for the Period January 1, 2025 - December 31, 2025

GL Code	Description	2024 Approved Budget	2025 Approved Budget (No Reserves)
510170	Crime & Fidelity Insurance	-	2,331.92
510150	Legal Defense	4,285.27	4,049.00
510199	Insurance - Finance Charges	29,743.00	29,800.00
	Total Insurance	1,242,891.32	1,467,306.26
	Utilities		
705010	Electricity	192,000.00	160,000.00
705030	Water & Sewer	152,220.00	250,000.00
705070	Telephone	16,000.00	4,000.00
705080	Gas	29,000.00	20,000.00
	Total Utilities	389,220.00	434,000.00
	Administration		
520110	Printing	1,000.00	3,000.00
520115	Postage	1,500.00	1,500.00
520114	Postage Late Letters	2,500.00	3,000.00
520113	Postage Default Letter	1,000.00	1,000.00
520119	Office Expenses	8,000.00	10,000.00
520122	Bank Charges	750.00	750.00
520160	Refreshments	2,000.00	2,000.00
530100	Accounting Fees	7,000.00	7,000.00
	2024 Deficit Replenishment & 2025 LOC Interest	-	125,000.00
530110	Legal Fees	40,000.00	40,000.00
530111	Legal Fees - Additional	18,000.00	5,000.00
540110	Licenses & Fees	4,000.00	5,000.00
702150	Holiday Lighting & Decorations	1,200.00	1,000.00
704100	Security Expenses	3,000.00	2,000.00
706037	Fire Sprinklers Inspections	8,000.00	10,000.00
	Total Administration	97,950.00	216,250.00
	Maintenance & Supplies		
555405	Uniforms	2,500.00	2,500.00
700142	Landscaping Plants & Materials	5,000.00	5,000.00
702000	General Repairs & Maintenance	60,000.00	75,000.00
702002	Building Supplies	50,000.00	60,000.00
702006	Cleaning Services	9,000.00	5,000.00
702008	Contingency - General	50,000.00	50,000.00
702023	Roof Maintenance	5,000.00	1,000.00
702025	Paint Supplies	15,000.00	10,000.00
702040	Elevator Repairs & Maintenance	5,000.00	5,000.00
702048	A/C Repair	18,000.00	25,000.00
702060	Emergency Generator	2,000.00	2,000.00
702066	Radios	1,500.00	1,500.00
702072	Plumbing Repairs	30,000.00	30,000.00
702091	Electrical Repairs	5,000.00	8,000.00
702300	Ocean Suite	2,000.00	1,000.00
704220	Fence & Gate Repairs	1,500.00	2,000.00
712512	Cabana Expense	2,000.00	1,000.00
712520	Pool Pump Repairs	5,000.00	2,500.00

Atlantic Ocean Club Condominium Apartments, Inc.
Approved Budget for the Period January 1, 2025 - December 31, 2025

GL Code	Description	2024	2025
		Approved Budget	Approved Budget (No Reserves)
712530	Pool Supplies & Accessories	3,500.00	3,500.00
712570	Pool & Beach Furniture	5,000.00	1,000.00
712602	Tennis Court Repairs & Supplies	1,500.00	1,500.00
713401	Gym	6,500.00	1,000.00
716159	Cleaning Supplies	12,000.00	12,000.00
716254	Laundry	8,000.00	8,411.23
	Total Maintenance & Supplies	305,000.00	313,911.23
	Contracts		
520121	Water Cooler	540.00	-
520124	Copy Machine	2,100.00	2,100.00
600000	Management Contract Fee	15,120.00	15,120.00
600001	Castle Burden Fee	100,665.00	114,538.00
600110	Website	5,491.00	5,491.00
700100	Landscaping	14,400.00	14,400.00
702030	Elevator Maintenance Contract	18,000.00	18,000.00
702075	Air Conditioning Maintenance Contract	31,000.00	31,000.00
702178	Pest Control	6,000.00	6,000.00
705032	Cooling Tower Water Treatment	5,007.60	5,007.60
705050	Cable TV	247,000.00	226,100.00
705060	Trash Removal	30,000.00	30,000.00
705075	Internet Service	3,000.00	3,000.00
706042	Keyless Entry Maintenance Contract	32,375.65	34,000.00
707040	Janitorial Service Contract	134,000.00	134,000.00
712500	Pool Maintenance	12,000.00	12,000.00
790210	Beach Maintenance	7,152.00	7,200.00
	Total Contracts	663,851.25	657,956.60
	Total Expenses before Reserves	3,737,535.15	4,265,961.57
	Reserves		
	Reserve Transfers - SIRS	0.00	0.00
300100	Reserve Transfers - Non-SIRS	0.00	0.00
	Total Reserves	0.00	0.00
	Total Expenses	3,737,535.15	4,265,961.57
	Net Income (Loss)	-	-

ATLANTIC OCEAN CLUB CONDOMINIUM APARTMENTS, INC.
2025 APPROVED QUARTERLY MAINTENANCE

Maintenance:	3,976,361.57	4,202,461.57	Total Maint, Cable, No Reserve
		4,202,461.57	Control
Cable:	226,100.00		
Full Reserve:	12,457,789.00		
Partial/No Reserve	0.00		

Approved 2025 Per Unit without Reserve Funding					
		QTLY		QTLY MAINT	TOTAL QTLY MAINT FEES
	%	MAINT W/O	QTRLY	INCLUDING	INCLUDING CABLE
UNIT #	Share	CABLE	CABLE	CABLE	(without Reserve funding)
		(1)	(2)	(1) + (2)	(3)
E-1	0.27620%	2,745.68	271.75	3,017.43	3,017.43
E-2	0.17570%	1,746.62	271.75	2,018.37	2,018.37
E-3	0.27510%	2,734.74	271.75	3,006.50	3,006.50
E-4	0.37340%	3,711.93	271.75	3,983.69	3,983.69
E-6	0.11710%	1,164.08	271.75	1,435.83	1,435.83
101	0.48610%	4,832.27	271.75	5,104.03	5,104.03
102	0.49820%	4,952.56	271.75	5,224.31	5,224.31
103	0.43080%	4,282.54	271.75	4,554.30	4,554.30
104	0.27290%	2,712.87	271.75	2,984.63	2,984.63
105	0.40540%	4,030.04	271.75	4,301.80	4,301.80
106	0.31380%	3,119.46	271.75	3,391.21	3,391.21
107	0.38680%	3,845.14	271.75	4,116.90	4,116.90
109	0.43320%	4,306.40	271.75	4,578.15	4,578.15
110	0.32930%	3,273.54	271.75	3,545.29	3,545.29
111	0.48620%	4,833.27	271.75	5,105.02	5,105.02
112	0.63420%	6,304.52	271.75	6,576.28	6,576.28
201-1801	0.50930%	5,062.90	271.75	5,334.66	5,334.66
202-1802	0.52590%	5,227.92	271.75	5,499.68	5,499.68
203-1803	0.45290%	4,502.24	271.75	4,773.99	4,773.99
204-1804	0.47390%	4,710.99	271.75	4,982.75	4,982.75
205-1805	0.45400%	4,513.17	271.75	4,784.93	4,784.93
206-1806	0.54680%	5,435.69	271.75	5,707.44	5,707.44
207-1807	0.40540%	4,030.04	271.75	4,301.80	4,301.80
108-1808	0.54570%	5,424.75	271.75	5,696.51	5,696.51
209-1809	0.45400%	4,513.17	271.75	4,784.93	4,784.93
210-1810	0.33920%	3,371.95	271.75	3,643.71	3,643.71
211-1811	0.50940%	5,063.90	271.75	5,335.65	5,335.65
212-1812	0.66510%	6,611.70	271.75	6,883.45	6,883.45

SIRS RESERVE FUNDING:**Reserve Study Executive Summary****With-Site-Visit****Atlantic Ocean Club CA - SIRS Components****Report #: 31656-1**

Fort Lauderdale, FL

of Units: 208

Level of Service: Update "With-Site-Visit"

January 1, 2025 through December 31, 2025

Findings & Recommendations**as of January 1, 2025**

Projected Starting Reserve Balance	\$242,819
Projected "Fully Funded" (Ideal) Reserve Balance	\$10,703,833
Percent Funded	2.3 %
Required 2025 Special Assessments	\$9,000,000
Minimum 2025 Funding Required to Maintain Reserves above \$0 through Year 30	\$820,000
(Optional Alternative) Recommended 2025 Funding to Achieve 100% Funded by Year 30 ..	\$1,048,000

Reserve Fund Strength: 2.3%**Weak****Fair****Strong**

< 30%

< 70%

> 130%

**Risk of Special Assessment:****High****Medium****Low****Executive Summary Table****Report # 31656-1****With-Site-Visit**

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
A. Roof			
2320 Pool Deck (Rooftop) - Resurface	25	25	\$7,575,636
B. Structure			
2339 Bldg. Ext. - 50 Year Certification Proj.	0	0	\$7,149,897
2341 Building Exterior - Restoration (Future)	7	7	\$1,350,000
C. Fireproofing and Fire Protection Systems			
2532 Garage Fans - Repair/Replace	15	15	\$30,000
2555 ELSS Project - 2024-2025	0	0	\$1,900,000
2557 Fire Alarm System - Modernize (Future)	25	25	\$275,000
2558 Exit/Emergency Fixtures - Replace	20	20	\$14,200
2560 Fire Sprinkler Pump/Controls - Repl	40	5	\$50,000
D. Plumbing			
2579 Plumbing System - Allowance	1	0	\$35,000
E. Electrical Systems			
2551 Electrical System - Allowance	10	9	\$30,000

F. Waterproofing and Exterior Painting

2120 Mezzanine Deck - Replace	25	25	\$576,000
2311 Tile Decking (Ground) - Replace	30	14	\$79,350
2315 Balcony/Walkway Decks - Re-coat	7	7	\$214,000
2315 Parking Deck - Repair/Re-coat	5	5	\$157,500
2316 Balcony/Walkway Decks - Resurface	30	30	\$1,604,500
2316 Parking Deck - Resurface	20	20	\$350,000
2343 Building Exterior - Seal/Paint (Future)	7	7	\$690,000
2773 Swimming Pool - Resurface	12	11	\$65,450

G. Windows and Exterior Doors

2367 Windows/Doors (Club Level) - Replace	40	40	\$764,000
2367 Windows/Doors (Lobby) - Replace	40	2	\$349,000
2367 Windows/Doors (Mezz/Lib/Pool) - Replace	40	40	\$64,449
2371 Utility Doors - Partial Replace (25%)	14	0	\$73,550
2505 Automatic Door (Breezeway) - Repl.	20	18	\$11,000
2505 Automatic Door (Lobby) - Replace	20	7	\$21,300

H. Other SIRS-Related Components

2326 Deck Railings (Balconies) - Replace	30	14	\$1,950,000
2326 Deck Railings (Walkways) - Replace	30	14	\$115,000
2549 Generator - Replace	40	40	\$140,000
2771 Pool Fence (Rooftop) - Replace	30	29	\$91,000

28 Total Funded Components

Non-SIRS RESERVE FUNDING:

	Reserve Study Executive Summary	With-Site-Visit
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Atlantic Ocean Club CA - NON SIRS Components

Fort Lauderdale, FL

Report #: **31656-1**

of Units: 208

Level of Service: **Update "With-Site-Visit"**

January 1, 2025 through December 31, 2025

Findings & Recommendations

as of January 1, 2025

Projected Starting Reserve Balance	\$0
Projected "Fully Funded" (Ideal) Reserve Balance	\$2,637,789
Percent Funded	0.0 %
Required 2025 Special Assessments	\$2,000,000
Minimum 2025 Funding Required to Maintain Reserves above \$0 through Year 30	\$660,000
(Optional Alternative) Recommended 2025 Funding to Achieve 100% Funded by Year 30	\$700,000

Reserve Fund Strength: 0.0%

Weak

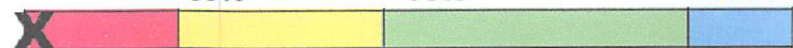
Fair

Strong

< 30%

< 70%

> 130%



Risk of Special Assessment:

High

Medium

Low

Executive Summary Table

Report # 31656-1
With-Site-Visit

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Site and Grounds			
2137 Site Fencing (Metal) - Replace	30	7	\$14,500
2144 Garage Gate - Replace	20	20	\$24,000
2157 Perimeter Walls - Repair/Paint	7	7	\$5,675
2163 Bulkhead (Concrete) - Repair Allowance	7	7	\$30,000
2169 Sign/Monument - Refurbish/Replace	20	7	\$17,500
2175 Site Pole Lights - Replace	30	7	\$32,550
2307 Awning (Garage Entry) - Replace	10	10	\$6,000
Mechanical/Electrical/Plumbing			
2503 Card/Fob Reader System - Replace	15	8	\$56,700
2508 RFID Sensor - Replace	10	9	\$4,250
2509 Gate Operator - Replace	10	10	\$4,500
2513 Elevators/Cabs - Modernize	25	25	\$1,300,000
2522 AHU, Compressors (Hallways) - Repl	15	10	\$150,000
2522 HVAC (Adult Game Room) - Replace	15	14	\$22,000
2522 HVAC (Card Room) 2005 - Replace	15	0	\$17,500
2522 HVAC (Dance Studio) - Replace	15	0	\$10,000
2522 HVAC (Elevator) - Replace	15	6	\$12,000
2522 HVAC (Lobby, Halls) 2006 - Replace	15	0	\$5,000
2522 HVAC (Lobby, Halls) 2016 - Replace	15	6	\$22,000
2522 HVAC (Mechanical Room) - Replace	15	14	\$6,327
2522 HVAC (Men's Spa) - Replace	15	0	\$22,000
2522 HVAC (Party Room) - Replace	15	9	\$22,000
2522 HVAC (Women's Spa) - Replace	15	0	\$17,500
2522 HVAC (Young Adult Game Room) - Repl	15	9	\$17,500
2531 Boiler (Space Heating) - Replace	20	0	\$40,000
2536 Heat Exchanger - Replace	30	14	\$66,750
2537 Cooling Towers - Refurbish	10	4	\$35,000
2538 Chilled Water Loop Pumps - Replace	10	2	\$32,000
2538 Chilled Water Supply Pumps - Repl	10	2	\$25,650
2538 Cooling Towers - Replace	30	14	\$457,000
2540 Variable Frequency Drives - Replace	20	16	\$17,500
2540 VF Drives (CT Pumps) - Replace	20	5	\$35,000
2542 Trash Chute - Replace	50	14	\$134,500
2543 Surveillance System - Upgrade/Replace	10	0	\$36,800
2575 Domestic Water System - Replace	20	18	\$90,000
2599 John Deere Gator - Replace	10	2	\$13,650
Common Interiors			

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
2147 Cabanas - Remodel	15	7	\$70,000
2701 Interior Surfaces - Repaint	10	12	\$250,000
2705 Interior Lights - Replace	20	22	\$125,000
2709 Tile Flooring (Floors 1-17) - Replace	20	22	\$74,700
2711 Carpeting - Replace	10	12	\$242,000
2725 Fitness Room - Remodel	15	17	\$25,000
2727 Fitness Eqpmt (Cardio) - Replace	10	12	\$100,000
2728 Fitness Eqpmt (Strength) - Replace	15	17	\$62,650
2741 Hallway Remodel Project (2027)	0	2	\$1,100,000
2742 Club Level Remodel Project (2027)	0	2	\$1,600,000
2744 Hallway Furnishings - Replace	20	22	\$50,000
2746 Kitchen - Remodel	20	22	\$30,000
2749 Bathrooms (Club Level) - Remodel	20	2	\$110,000
2749 Bathrooms (Main Floor) - Remodel	20	2	\$40,000
2750 Lobby - Remodel	20	2	\$805,000
2752 Office - Remodel	20	19	\$15,000
2753 Lounge Room - Remodel	20	22	\$125,000
2753 Men and Women Spa Rooms - Remodel	20	22	\$300,000
2753 Ocean Suite - Remodel	15	2	\$12,500
2753 Party Room - Remodel	20	22	\$70,000
2755 Adult Game Room - Remodel	20	22	\$100,000
2755 Exercise Dance Studio - Remodel	20	22	\$25,000
2755 Young Adult Game Room - Remodel	20	22	\$25,000
2756 Card Room - Remodel	20	22	\$70,000
2757 Library - Remodel	20	2	\$25,000
Exterior Amenities			
2120 Pavers (Sun Deck) - Replace	25	25	\$995,000
2763 Pool Deck Furniture - Replace	10	10	\$180,000
2781 Pool Heaters - Replace	8	7	\$13,000
2787 Pool Equipment - Maintain/Replace	8	7	\$8,510
2809 Pickleball Court (Hard) - Re-coat	5	5	\$8,160
2813 Tennis Court Fencing - Replace	30	30	\$25,200

66 Total Funded Components

Note 1: Yellow highlighted line items are expected to require attention in this initial year, light blue highlighted items are expected to occur within the first-five years.