

PBV Board Meeting

7/16/2025

Agenda Item 5a--Quarterly Financial Update and Full Year Estimates

Key Points: January through June income is slightly above budget and expenses are significantly below budget resulting in a positive net operating income of \$15,774. However, we expect PBV's expenses for the remainder of this year to be significantly above budget such that 2025's total expenses are now estimated to exceed 2025 total income, creating a net loss of about \$2,000. The 2025 financial plan expected positive net income of \$3,686—thus we expect to have a negative variance of about \$5,690. Items driving higher expenses include:

- Insurance: Re-appraisal will likely add ~\$8,500 to this year's costs.
- Legal: Unexpected costs to from the Indian River Shores fire safety citation and Bylaw revisions.
- Maintenance Labor: We increased maintenance man's hours from 24 to 32 per week.
- Trash Removal: Contractor imposed an unscheduled price increase in April.
- Contingency: Estimated 2nd half expenses include \$4,675 for AC electric boxes replacement.

The board will discuss these factors along with steps that might improve this situation.

Income and Expenses Through June:

Income for January through June was \$266,969, vs. a budget of \$266,438, and Expenses through June were \$251,195 versus a budget of \$266,220 resulting in a net January to June operating surplus of \$15,774. However, this large surplus is deceptive as explained below. Through June, Total Grounds/Landscaping expenses are \$14,080 under budget; however, work in the fall will bring the full year Total Grounds/Landscaping expenses to come in close to the full year budget. For example, though June, our use of Irrigation Water use has been reduced to 15% of normal due to low water pressure. If we can find a time of day with higher pressure, our July through December costs will be much higher—as shown on the attached spreadsheet.

Estimated June through December and Total Year Expenses: Total Landscaping/Grounds, Insurance, Legal, Maintenance Labor, Trash Service, and Contingency will all have significantly greater expenses in the second half of the year. Our insurance re-appraisal occurs in August and will likely increase November's and December's insurance costs by about \$8,500. Legal expenses will exceed budget \$3,640 due cost of dealing with the Fire Code violation and revisions to our By-Laws, Maintenance Labor will also exceed budget by about \$6,700 due to increased work hours. Our trash service (which is contracted by Indian River Shores) imposed an unexpected price increase in April that will cause a \$1,491 short fall, and the need to repair AC electrical boxes will create a \$4,675 Contingency expense resulting in estimated total 2025 expenses of \$534,800 vs. an estimated income of \$532,800 for an operating loss of \$2,000 for 2025. However, if we are unable to restore normal water pressure to our irrigation system, our year end costs will be about \$3,300 less than shown and we will end 2025 with a positive net income of about \$1,300.

2025 Income and Expense--Actual and Estimated

7/16/2025

Accounts	Monthly Budget	Total January-June Actual	January-May Budget	Variance	July-December Estimated	Total Year Estimated	2025 Budget	Variance
Income								
55110 - Current Assessments	\$44,156	\$264,938	\$264,938	\$0	\$264,938	\$529,876	\$529,876	\$0
55120 - Interest Income	\$0	\$224	\$0	\$224		\$224	\$0	\$224
55122 - Owner Finance Charge	\$0	\$91	\$0	\$91		\$91	\$0	\$91
55140 - Miscellaneous Income		(\$500)	\$0	(\$500)		(\$500)	\$0	(\$500)
55150 - Laundry Income	\$250	\$1,966	\$1,500	\$466	\$800	\$2,766	\$3,000	(\$234)
55160 - Application Fees Income	\$0	\$300	\$0	\$300	\$100	\$400	\$0	\$400
55161 - App Processing Fees	\$0	(\$50)	\$0	(\$50)		(\$50)	\$0	(\$50)
Total Income	\$44,406	\$266,969	\$266,438	\$531	\$265,838	\$532,807	\$532,876	(\$69)
Expense								
Administrative Expenses								
61100 - Annual Review & Tax Prep	\$242	\$2,900	\$2,900	\$0	\$0	\$2,900	\$2,900	\$0
61300 - Corporate/Condo Fees	\$71	\$349	\$600	\$251	\$0	\$349	\$850	\$501
61400 - Insurance	\$17,903	\$107,428	\$107,420	(\$9)	\$115,876	\$223,305	\$214,839	(\$8,466)
61500 - Legal Fees	\$375	\$7,942	\$2,250	(\$5,692)	\$200	\$8,142	\$4,500	(\$3,642)
61550 - Management Services	\$2,445	\$14,667	\$14,667	\$0	\$14,667	\$29,334	\$29,334	\$0
61660 - Office Supplies/Copies/Postage	\$417	\$2,290	\$2,500	\$210	\$1,890	\$4,181	\$5,000	\$819
61750 - Income Tax Expense	\$417	\$0	\$2,500	\$2,500	\$0	\$0	\$5,000	\$5,000
61800 - Telephone	\$267	\$1,579	\$1,600	\$21	\$1,579	\$3,158	\$3,200	\$42
Total Administrative Expenses	\$22,135	\$137,156	\$134,437	(\$2,720)	\$134,213	\$271,369	\$265,623	(\$5,746)
Buildings Operations								
63300 - Building Maintenance Supplies	\$1,250	\$9,486	\$7,500	(\$1,986)	\$5,359	\$14,845	\$15,000	\$155
63800 - Pest Control: Buildings	\$677	\$3,062	\$4,063	\$1,000	\$4,740	\$7,802	\$8,125	\$323
65200 - Cleaning Labor	\$500	\$3,300	\$3,000	(\$300)	\$2,700	\$6,000	\$6,000	\$0
65300 - Maintenance Labor	\$3,936	\$21,981	\$23,614	\$1,633	\$31,985	\$53,966	\$47,228	(\$6,738)
Total Buildings Operations	\$6,363	\$37,830	\$38,177	\$347	\$44,783	\$82,613	\$76,353	(\$6,260)
Grounds/Landscape								
66300 - Landscape Maintenance	\$3,106	\$18,600	\$18,638	\$38	\$18,638	\$37,238	\$37,275	\$38
66400 - Irrigation Supplies & Repairs	\$383	\$1,253	\$2,300	\$1,047	\$3,347	\$4,600	\$4,600	\$0
66450 - Irrigation Water	\$583	\$563	\$3,500	\$2,937	\$3,870	\$4,433	\$7,000	\$2,567
66600 - Landscape Replacement & Mulch	\$2,333	\$9,468	\$14,000	\$4,532	\$18,532	\$28,000	\$28,000	\$0
66700 - Landscape Weed, Pest & Fertilizer	\$508	\$2,669	\$3,045	\$376	\$3,421	\$6,090	\$6,090	\$0
66800 - Tree Trimming	\$917	\$350	\$5,500	\$5,150	\$10,650	\$11,000	\$11,000	\$0
Total Grounds/Landscape	\$7,830	\$32,903	\$46,983	\$14,080	\$58,457	\$91,360	\$93,965	\$2,605
Recreation Facilities								
70130 - Clubhouse Service & Repairs	\$250	\$1,680	\$1,500	(\$180)	\$500	\$2,180	\$3,000	\$820
71400 - Pool Supplies & Repairs	\$333	\$1,768	\$2,000	\$232	\$1,768	\$3,536	\$4,000	\$464
73000 - Tennis Courts Repairs	\$83	\$0	\$500	\$500	\$0	\$0	\$1,000	\$1,000
Total Recreation Facilities	\$667	\$3,448	\$4,000	\$552	\$2,268	\$5,716	\$8,000	\$2,284
Utilities								
75310 - Electricity	\$1,090	\$5,906	\$6,542	\$636	\$5,200	\$11,106	\$13,084	\$1,978
75500 - Trash Removal	\$1,480	\$9,237	\$8,883	(\$354)	\$10,019	\$19,256	\$17,765	(\$1,491)
75710 - Water & Sewer	\$4,033	\$24,034	\$24,200	\$166	\$24,000	\$48,034	\$48,400	\$366
Total Utilities	\$6,604	\$39,177	\$39,625	\$448	\$39,219	\$78,396	\$79,249	\$853
Miscellaneous Expense								
71200 Laundry Expense	\$250	\$165	\$1,500	\$1,335	\$0	\$165	\$3,000	\$2,835
77300 - Contingency	\$250	\$517	\$1,500	\$983	\$4,675	\$5,192	\$3,000	(\$2,192)
Total Miscellaneous Expense	\$500	\$682	\$3,000	\$2,318	\$4,675	\$5,357	\$6,000	\$643
Total Expense	\$44,099	\$251,195	\$266,220	\$15,025	\$283,616	\$534,811	\$529,190	(\$5,621)
Operating Net Income	\$307	\$15,774	\$218	\$15,556	(\$17,778)	(\$2,004)	\$3,686	(\$5,690)