

## Royal Wood Master Association

### Budget Year 2023

November 1, 2022

Fellow Royal Wood Owners:

Attached is the Summary of the 2023 Royal Wood Operating/Reserves Budget that was approved by the Master Board on October 27, 2022. The total Annual Maintenance Assessment will be \$5,910 per unit. This represents an increase of \$700 (\$524. For Operations and \$176. For Reserves) over the 2022 Annual Maintenance Assessment.

The major factors contributing to the \$524 increase in the operations include:

- Out-of-control inflation, the highest in 40 years, in the country's economy
- Golf course maintenance and payroll
- Increase staffing and related costs with expanded restaurant operations
- Increase in Insurance and additional staffing in the office.
- Increase in utilities, both electricity and gas

Impacts of the increase of the \$176. in the Reserve schedule:

- Increase in the project costs to renovate the golf course in 2028.
- Inflation factor (4%) that is used annually

The increase in costs that each of us is seeing in our daily lives is affecting every part of the club's operation.

Increase in Fees:

- Cart fees have increased by \$2.00, primarily due to the new cart lease. We are expecting the new carts to be delivered in January.
- Green Fees will be increased across the board by \$1.00
- Summer Membership fees will be increased by \$300.00
- Capital contribution for unit resale will increase \$300.00 to \$4,500.00
- Tenant Fees will be increased across the board by \$15.00

Details of the increases are in the attached summary.

The budgeted hours for the Food and Beverage Operation are as follows:

In Season: Open for lunch and dinner seven days a week.

Off Season: Open six days per week for lunch, with dinner being served three evenings per week.

As always, we will monitor the Food & Beverage operation and make adjustments as necessary.

On behalf of the Board of Directors, I would like to thank everyone for the support you have given the Board and the Staff this past year. I also want to thank you for your patience and understanding during this transition period that we are currently going through.

I know that it might be a little bit bumpy in the beginning of the season, but we are doing our best to deliver to you a better product than we have had before. This coming year will be challenging with the high inflation rates and difficulty in obtaining staff, but we will get through it. The good news is that COVID is pretty much behind us, and we survived a major hurricane without any significant damage. Let's get back to being able to enjoy ourselves and our friends in Royal Wood.

Looking forward to a great year!

Dennis Furey, President

Royal Wood Master Board of Directors

**Royal Wood Master Association, Inc.**  
**2023 Budget**



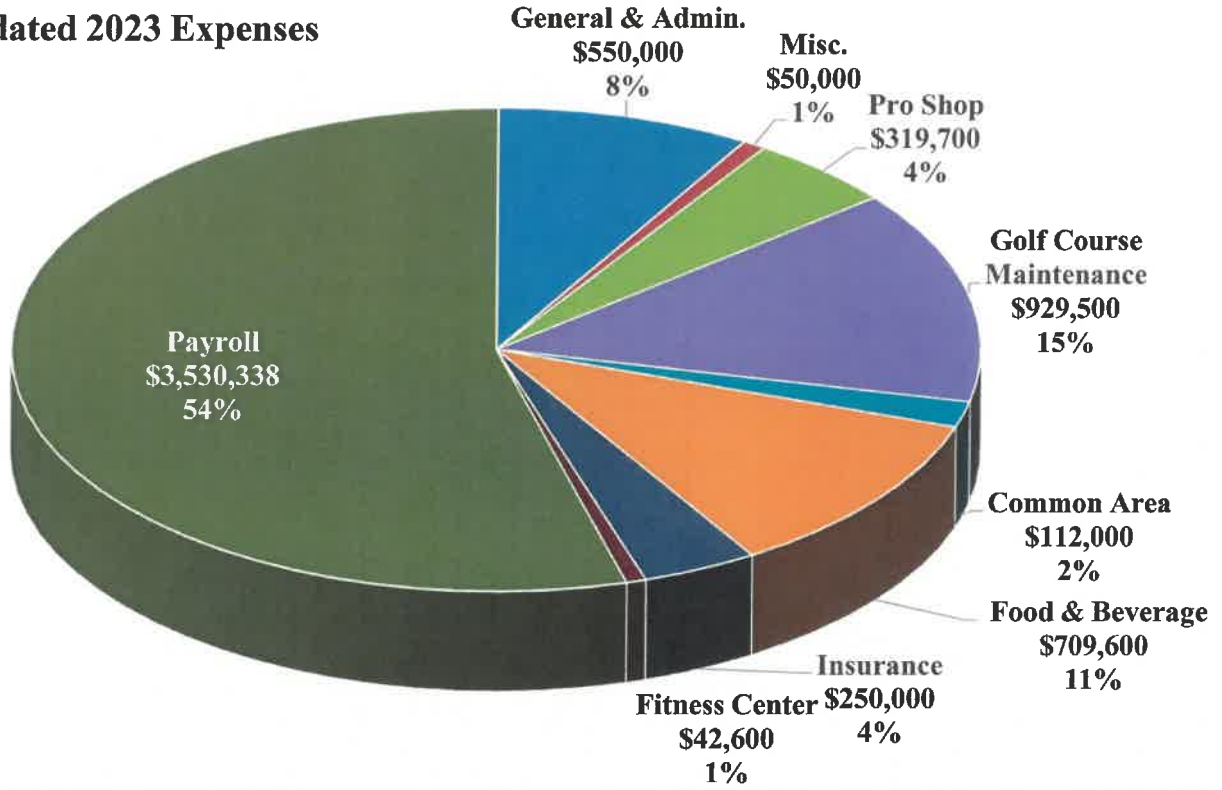
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**Royal Wood Master Association, Inc.**  
**2023 Budget**  
**Comparisons of Operating Revenues / Operating Expenses**

<b>Royal Wood Income</b>	<b>Budget 2023</b>	<b>Budget 2022</b>
Annual Membership Dues	\$ 4,728,000	\$ 4,168,000
Golf Program Income		
Cart Fees	\$ 1,071,000	\$ 910,000
Green Fees & Walking Fees	288,000	250,000
Summer Membership Fees	103,500	51,000
Administrative Fees	24,450	23,000
Pro Shop Sales & Bag Storage	127,400	131,500
Golf Program Income Total	\$ 1,614,350	\$ 1,365,500
Food & Beverage Income		
F&B Revenue	\$ 1,000,000	\$ 888,000
Social Fee	4,500	4,500
Food & Beverage Income Total	\$ 1,004,500	\$ 892,500
Administration Income		
Estoppel Fee	\$ 7,200	\$ 5,250
Operating Interest Income	4,125	4,125
Misc. Income	15,000	18,000
CSI Virtual Card Income	4,000	6,500
2021 Carry Over	200,000	
Administration Income Total	\$ 230,325	\$ 33,875
<b>Total Income</b>	<b>\$ 7,577,175</b>	<b>\$ 6,459,875</b>
<b>Royal Wood Expenses</b>	<b>Budget 2023</b>	<b>Budget 2022</b>
Transfer of Funds to Reserve Account	\$ 1,026,000	\$ 885,000
Golf Program Expenses		
Golf Course Maintenance Operations	\$ 929,500	\$ 815,350
Wages, Benefits & Taxes	1,099,667	989,737
Pro Shop Cost of Sales	67,100	60,000
Pro Shop Operations	252,600	193,350
Wages, Benefits & Taxes	515,962	506,648
Golf Program Expenses Total	\$ 2,864,829	\$ 2,565,085
Food & Beverage Expenses		
F&B Cost of Sales	\$ 464,000	\$ 370,000
Wages, Benefits & Taxes	1,106,644	786,636
F&B Operations	245,600	185,000
Food & Beverage Expenses Total	\$ 1,816,244	\$ 1,341,636
Miscellaneous Expenses		
Fitness Expenses	\$ 42,600	\$ 29,400
Wages, Benefits & Taxes	-	46,569
Pool Expenses	19,000	14,000
Tennis Expenses	6,000	5,000
Club Insurance	250,000	214,000
Club Decorations & Florals	25,000	20,000
Miscellaneous Expenses Total	\$ 342,600	\$ 328,969
Administrative Expenses		
Common Area Maintenance	\$ 112,000	\$ 109,350
Wages, Benefits & Taxes	186,135	150,427
Administrative Operation Costs	550,000	474,250
Wages, Benefits & Taxes	621,930	525,868
Administration Expenses Total	\$ 1,470,065	\$ 1,259,895
<b>Total Expenses</b>	<b>\$ 7,519,738</b>	<b>\$ 6,380,585</b>
<b>Excess Income Over Expenses</b>	<b>\$ 57,437</b>	<b>\$ 79,290</b>

## Royal Wood Master Association, Inc. 2023 Budget

### Consolidated 2023 Expenses



### Annual Maintenance Fee 2020 - 2023



*Note: A portion of the Dues is to repay the loan from Reserves that the membership voted on.*

**Royal Wood Master Association  
2023 Budget  
Reserves**

Cash Ending Dec 2021	\$ 1,825,512
Capital Contribution 2022	885,000
Resale Capital Contribution	227,250
Estimated Interest Receipts	2,800
Estimated 2022 Purchases	(646,972)
Estimated Dec. 2022 Balance	<u>\$ 2,293,590</u>

**2023 Scheduled Reserve Replacement Items**

HVAC Handler - Old Pro Shop	6,800
Kitchen Equipment	24,950
Paint Rattlesnake Wall aprox 1975 LFT	35,200
Sealcoat / Rejuvenation parking lot	14,400
Weight Bench	1,600
Fairway #4	20,000
Pump Station	65,100
General Deffered Maint.	104,000
Rattlesnake West Side replaced	515,165
Fence on #15	46,000
Golf Course - Large Equipment	163,200
Golf Course - Small Equipment	28,450
Ice Machine - Kitchen	8,425
Generator - Kitchen	16,000
Storm Damage - Insurance Deductible	375,000
Future Projects	300,000
	<u>\$ 1,724,290</u>

**Please note: Items will only be replaced if needed.**

***Major Repairs and Replacements***

*Florida Statutes do not require that the Association set aside funds for future major repairs and replacements although management has elected to designate monies to be used for this purpose. Accumulated funds are held in separate bank accounts and investments and are not available for normal operations.*

*Funds are being accumulated based on estimates of future needs for major repairs and replacements of common property components. Actual expenditures may vary from the estimated future expenditures and the variations may be material. Therefore, amounts designated for future repairs and replacements may not be adequate to meet all future needs. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments subject to membership approval, or delay major repairs and replacements until funds are available.*

*The Board is funding for major repairs and replacements over the remaining useful lives of the components based on the study's estimate of current replacement costs*

*Detail reserve report by component available upon request at the office.*

## Royal Wood Golf & Country Club Fiscal Year 2023 Fee Structure

Maintenance fees \$5,910 per year - Billed semi-annually November 30<sup>th</sup> & May 31<sup>st</sup>.

\*\* Please note that the Maintenance Fees are not income tax deductible\*\*

### New Property Owners:

Resale Capital Contribution: \$4,500 collected before or at closing. Estoppel Fee \$150

### Owners who purchase additional property:

The Resale Capital Contribution Fee will be charged. The only exception will be if the Owner purchases an additional unit and sells their "original" property within 1 calendar year.

### Change of Primary Occupants

Administrative Fee: If name is on Deed: No charge (Allowed once per calendar year)

If name is not on deed fee \$50.00 (This change is permitted once per 1 calendar year)

### Tenant Administrative Fee: Non-taxable & Non-refundable

One month lease ( 1 -31days) fee is \$175.00

Two months lease ( 32-61 days) fee is \$235.00

Three months lease ( 62-91 days) fee is \$285.00

Four to twelve months lease ( 92-365 days) fee is \$385.00

### Non Member Social Fee: Non-taxable & Non-refundable

*Includes Restaurant, Pool, & Fitness Ctr*

One month ( 1 -31days) fee is \$65.00

Two months ( 32-61 days) fee is \$115.00

Three months ( 62-91 days) fee is \$165.00

Four to twelve months ( 92-365 days) fee is \$265.00

### Summer Golf Program Fee: \$1,230.50 includes tax & Non-refundable

April 15<sup>th</sup> to December 31<sup>st</sup>

Please note if a Tenant purchases property within four months of the Expiration date of their lease period, their rental administrative fee will be credited the fee.

Tennis Dues: \$30.00 Per Person \$10.00 Social Fee Per Person (Tennis Functions Only) - Tennis season is November 1<sup>st</sup> - April 30<sup>th</sup>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Members</b>												
18 Holes	28.89	28.89	28.89	28.89	28.89	28.89	28.89	28.89	28.89	28.89	28.89	28.89
9 Holes	16.05	16.05	16.05	16.05	16.05	16.05	16.05	16.05	16.05	16.05	16.05	16.05
Walkers	6.42	6.42	6.42	6.42	N/A	N/A	N/A	N/A	N/A	N/A	6.42	6.42
<b>Tenants</b>												
18 Holes	75.97	75.97	75.97	75.97	40.66	40.66	40.66	40.66	40.66	40.66	75.97	75.97
9 Holes	42.27	42.27	42.27	42.27	22.47	22.47	22.47	22.47	22.47	22.47	42.27	42.27
Walkers	27.82	27.82	27.82	27.82	N/A	N/A	N/A	N/A	N/A	N/A	27.82	27.82
<b>Family Member</b>												
18 Holes	85.60	85.60	85.60	85.60	46.01	46.01	46.01	46.01	46.01	46.01	85.60	85.60
9 Holes	47.62	47.62	47.62	47.62	25.68	25.68	25.68	25.68	25.68	25.68	47.62	47.62
Walkers	33.17	33.17	33.17	33.17	N/A	N/A	N/A	N/A	N/A	N/A	33.17	33.17
<b>Guest</b>												
18 Holes	97.37	97.37	97.37	97.37	48.15	48.15	48.15	48.15	48.15	48.15	97.37	97.37
9 Holes	54.57	54.57	54.57	54.57	27.02	27.02	27.02	27.02	27.02	27.02	54.57	54.57
Walkers	38.52	38.52	38.52	38.52	N/A	N/A	N/A	N/A	N/A	N/A	38.52	38.52
<b>Summer Member</b>												
18 Holes	N/A	N/A	N/A	75.97	28.89	28.89	28.89	28.89	28.89	28.89	75.97	75.97
9 Holes	N/A	N/A	N/A	42.27	16.05	16.05	16.05	16.05	16.05	16.05	42.27	42.27
Walkers	N/A	N/A	N/A	27.82	N/A	N/A	N/A	N/A	N/A	N/A	26.75	26.75

Note: Walkers are allowed on the Golf Course after 3:30 p.m.  
Bag Storage are arranged through the Pro Shop

**Royal Wood Master Association  
2023 Budget**

	Budget 2023	Budget 2022
4000 Maintenance Fees	4,728,000	4,168,000
4004 Less Replacement Reserve	(1,026,000)	(885,000)
4010 Green Fees/Walkers	288,000	250,000
4020 Electric Cart Fees	1,071,000	910,000
4030 Administrative Fee	24,450	23,000
4031 Summer Membership	103,500	51,000
4040 Operating Interest Revenue	4,125	4,125
4043 CSI Payment - Admin Income	4,000	6,500
4050 Unused Minimum	38,000	38,000
4060 Miscellaneous Revenue	15,000	18,000
4070 Social Fee	4,500	4,500
4085 Estoppel Fee	7,200	5,250
4200 Food Sales	710,000	600,000
4201 Beverage Sales	252,000	250,000
4305 Handicap Fee	15,000	15,000
4400 Accessories	6,500	6,200
4401 Bag/Head Covers	4,000	8,000
4402 Balls	12,000	13,500
4403 Clubs/Grips	7,000	7,400
4404 Gloves	5,000	8,500
4405 Headwear	9,000	9,000
4406 Ladies Wear	18,000	16,000
4407 Men's Wear	18,000	18,000
4408 Shoe/Socks	6,000	5,000
4410 Kids Apparel	400	400
4451 Misc. Pro Shop Revenue	500	500
5012 Bag Storage	26,000	24,000
Carry-Over	200,000	0
Total Income	\$ 6,551,175	\$ 5,574,875
5000 F&B COS - Food	366,000	290,000
5010 F&B COS - Beverages	98,000	80,000
5020 COS Accessories & Misc.	4,000	4,500
5030 COS Bag/Head Covers	4,000	4,800
5040 COS Balls	9,200	9,000
5050 COS Clubs/Grips	6,400	3,600
5060 COS Gloves	3,500	4,800
5070 COS Headwear	6,000	4,800



	Budget 2023	Budget 2022
5080 COS Ladies Wear	15,000	12,000
5090 COS Men's Wear	15,000	14,000
5100 COS Shoe/Socks	3,900	2,400
5120 COS Kids Apparel	100	100
6001 Golf Course Payroll	856,043	738,485
6010 Golf Course Payroll Taxes	65,487	70,451
6012 Staff Medical GC	169,136	160,620
6015 Workman's Compensation GC	9,000	7,180
6020 Sand & Soil	55,000	48,000
6030 Fertilizer	218,000	190,000
6040 Chemicals	207,000	180,000
6050 Landscaping	46,500	41,000
6055 Waste Removal	19,000	15,000
6060 Weed Control	34,500	30,000
6070 Verticutting / Oxygen System	17,500	17,500
6075 Security	500	500
6080 Aerification	24,500	21,500
6100 Small Tools	8,500	8,500
6110 Golf Supplies	11,000	10,000
6112 Service Contract	500	3,600
6120 Equipment Repairs	47,000	44,000
6130 Gas & Oil	48,000	42,000
6140 Irrigation Maintenance	45,000	33,000
6150 Lake Management	34,000	34,000
6160 Dues/Subscription & Conf.	13,000	7,500
6170 Safety Equipment	6,000	5,500
6180 Tree Purchases	9,000	7,500
6185 Equipment Rental	4,500	8,000
6190 Utilities	37,500	30,000
6200 Telephone	15,000	15,750
6250 Misc. Supplies	6,500	4,000
6252 Computer Expense	1,500	1,000
6260 Staff Uniforms	20,000	17,500
6351 F&B Payroll	888,071	585,599
6353 F&B Payroll Taxes	83,237	79,546
6354 Workman's Compensation F&B	8,200	6,530
6355 F&B Staff Medical	107,135	89,961
6356 Employee Meals	20,000	20,000
6357 Temporary Labor	2,000	0
6400 Utilities	56,000	22,000
6405 Small Equipment	18,000	15,000
6410 Events /Entertainment	27,000	23,000

	Budget 2023	Budget 2022
6415 Service Contracts	14,000	13,000
6420 Repairs & Maintenance	16,000	15,000
6425 Lounge Expense	15,000	12,000
6426 Uniforms & Linen	30,000	18,000
6430 Licenses, Dues & Subscriptions	11,000	12,000
6435 Supplies	5,000	2,000
6440 Computer Expense	13,000	13,000
6445 Telephone	5,600	6,200
6450 Misc.	4,000	4,000
6460 Chemicals/Cleaners/Safety Supplies	14,000	12,000
6465 Equipment Rentals	3,000	3,000
6470 Advertising & Promotion	0	4,000
6475 To-Go Containers/Paper Goods	8,000	7,800
6480 Training, Conference & Education	4,000	3,000
6501 Common Area Payroll	139,280	107,000
6510 Common Area Payroll Taxes	10,655	10,208
6512 Staff Medical CA	32,101	29,954
6515 Workman's Compensation CA	4,100	3,265
6520 Annuals & Perennials	18,500	17,850
6550 Shrubs & Trees	24,000	23,500
6560 Landscaping	25,000	25,000
6580 Irrigation Maintenance	6,500	6,000
6592 Common Area Maint.	13,000	12,000
6630 Waste Removal	25,000	23,000
7001 Pro Shop Payroll	436,347	417,238
7010 Proshop Payroll Taxes	30,081	39,805
7015 Workman's Compensation PS	3,300	2,600
7018 Proshop Staff Medical	46,234	40,005
7020 Cart Lease	162,700	106,100
7030 Utilities - Cartbarn	11,500	10,000
7040 Telephone	4,000	6,000
7050 Printing	11,000	13,000
7055 Supplies	4,000	4,000
7056 Cup Services	6,000	3,000
7075 Security	1,000	4,500
7090 Miscellaneous	1,000	1,000
7105 Pest Control	3,000	2,400
7110 Repairs & Maintenance	4,000	3,000
7112 Service Contracts	1,900	1,200
7117 Handicap Expense	10,000	7,650
7120 Computer Expense	12,500	11,000
7122 Prizes & Trophies	500	500

	Budget 2023	Budget 2022
7125 Dues, Subscriptions, Conf. & Licenses	6,500	3,000
7225 Cart Barn Expense	4,000	2,000
7230 Golf Range Expense	1,500	1,500
7240 Staff Uniforms	2,500	2,000
7250 Laundry - Towels/Detergent	5,000	11,500
8001 Admin Payroll	419,320	375,400
8003 401K	62,000	58,000
8010 Admin Payroll Taxes	32,078	35,813
8012 Admin Staff Medical	43,634	40,730
8015 Workman's Compensation Admin	4,900	3,925
8020 Office Supplies	5,500	5,500
8025 Postage	5,000	7,500
8030 Telephone	9,000	11,000
8040 Utilities - includes Sand Trap	58,000	50,000
8041 Street Lighting	11,500	10,750
8042 Fountain Utilities	4,500	3,500
8055 Legal Fees	50,000	30,000
8060 Accounting Fees & HR Mgmt	45,000	38,000
8061 HR Mgmt Company	51,000	42,000
8065 Computer Expense	24,000	22,000
8070 Janitorial Expenses	110,000	100,000
8087 Facilities Committee	10,000	0
8110 Repairs / Maintenance	40,000	30,000
8112 Service Contracts	25,000	25,000
8114 Storage / Rentals	4,000	4,500
8120 Pest Control	6,000	6,000
8130 Dues & Subscriptions	9,500	7,500
8150 Water / Sewer	8,000	10,000
8185 Bank Charges / Misc.	20,000	15,000
8186 Bad debt write off	10,000	10,000
8235 GM Expense/Projects	3,000	3,000
8236 Conference Expense	3,000	3,000
8250 Security / Health & Safety	7,000	10,000
8255 Customized Printing	10,000	10,000
8274 Tangible Property Tax	7,000	6,000
8276 County Property Tax	14,000	14,000
9200 Insurance	250,000	214,000
9250 Bonuses	60,000	40,000
9300 Pool Expense	19,000	14,000
9350 Tennis Expense	6,000	5,000
9400 Xmas, Decorations & Florals	25,000	20,000

	<b>Budget 2023</b>	<b>Budget 2022</b>
9400 Fitness Center Payroll	0	41,600
9410 Fitness Center Payroll Taxes & Benefits	0	3,969
9450 Misc. Expense	7,500	7,500
9451 Utilities	7,500	10,000
9452 Security	1,800	1,800
9453 Instructor	18,000	2,300
9453 Supplies	2,500	2,500
9453 Equipment Maint. & Repair	2,200	2,200
9453 Small Equipment	2,000	2,000
9453 Subscriptions - Peloton	1,100	1,100
	<u>\$6,493,739</u>	<u>\$5,495,584</u>
4003 Resale Capital Contribution	216,000	122,500
4100 Reserve Interest Revenue	1,810	4,600
9000 Depreciation Expense	675,000	675,000