



Southern Hills Plantation Homeowners Association, Inc.

Dear Southern Hills Plantation Owners,

Enclosed you will find the 2024 budget adopted by the Board of Directors.

The overall budget was reduced; however, the quarterly assessments did increase based on the following:

- A change in the number of lots - the number was changed from 999 lots to 693 lots. This occurred after careful examination and thought by the board due to merged lots, seriously delinquent owners and developer lots.

999	Total number of lots per buildout budget
-52	Lots that are no longer counted due to being merged
-23	Seriously delinquent accounts
<u>-231</u>	Developer lots
693	lots that are included in the budget

- Reserves: A updated Reserve Study was performed this year. In the reserve report the number of lots also decreased, therefore you will notice the 2024 budget line item is less, however decreasing the number of lots increases the per quarter amount due as indicated above.

The new total number of lots (693) will equally share the operating expenses and reserves.

Florida Statute 720.303 Budgets (6) (2) (i1) (c) states:

Any other assessments related to the developer's parcels for any period of time for which the developer has provided in the declaration that in lieu of paying any assessments imposed on any parcel owned by the developer, the developer need only pay the deficit, if any, in any fiscal year of the association, between the total amount of the assessments receivable from other members plus any other association income and the lesser of the budgeted or actual expenses incurred by the association during such fiscal year.

These changes were instituted to ensure the financial security of the community and provide a clear picture of the income/expenses for the Southern Hills Plantation Homeowner's Association.

Thank you,

Cheri Schrubbe

Cheri Schrubbe / Community Association Manager
REALMANAGE FAMILY OF BRANDS | EVERGREEN LIFESTYLES MANAGEMENT

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Southern Hills Plantation 2024 Budget			
GL Account	2023 Budget	2024 Budget	Notes
40-4010-000 - Assessments	\$ 847,791.36	\$ 817,204.00	The Class A Assessments are required in order to properly maintain and operate the common area property. Build out based on 693 lots (76 merged lots, developer lots that are not currently in contract, and seriously delinquent removed). \$295 per quarter; \$1,179 Annually; \$98.25 per month
40-4011-002 - Assessment-Forest Garden	\$ 30,139.00	\$ 30,598.00	Based on 19 homes \$1,610 annually; \$402.61 per quarter; \$134.20 per month
40-4012-001 - Assessment-Lily Pond	\$ 42,831.00	\$ 43,470.00	Based on 27 homes \$1,610 annually; \$402.61 per quarter; \$134.20 per month
40-4013-004 - Assessment-Manors	\$ 235,901.00	\$ 252,980.00	Based on 140 homes \$1,807 annually; \$451.75 per Quarter; \$150.58 per month
40-4014-003 - Assessment-Bristol Wood	\$ 38,071.00	\$ 38,640.00	Based on 24 homes \$1,610 annually; \$402.61 per quarter; \$134.20 per month
40-4015-000 - Golf Course Lot Assmt	\$183,400.00	\$194,404.00	The Golf Course Lot fees are based on 262 Golf Course Lots at build out. The fees are \$185.50 a quarter for each homeowner on a golf course lot. 6% increase in 2024; \$742 annually; \$61.83 monthly
40-4016-000 - Assessment-Cable	\$491,508.00	\$351,185.00	The Cable Assessments are based upon the bulk cable and internet contract with Spectrum. The Board renegotiated the contract with Spectrum in 2022, the contract calls for a 3% increase in 2024. The budget amount for 2024 is \$42.23 monthly; \$126.69 per quarter; \$506.76 annually; \$42.23 monthly.
40-4019-000 - Assessment-Irrigation	\$319,325.00	\$344,871.00	Irrigation costs to SH Irrigation Service, LLC. 2024 rates are increasing by 8% per SH Irrigation agreement.
40-4020-001 - Reserve-Lily Pond	\$10,636.92	\$13,848.00	The Cottage Reserves fund the Exterior Painting of the Homes. Based on 27 homes @ \$42.74 per month; \$128.22 Per Quarter; Based upon Reserve Study dated June 30, 2023
40-4021-001 - Reserve Transfers-Lily Pond	-\$10,636.92	-\$13,848.00	Reserves placed in separate bank account for future painting, based on when the homes were painted last or were built.
40-4030-004 - Reserve-Manors	\$ 75,487.20	\$ 86,052.00	The Manors reserves fund the Exterior Painting of the Homes. Based on 139 homes @ \$51.59 per month; \$154.27 Per quarter: Based upon Reserve Study dated June 30, 2023

40-4031-004 - Reserve Transfers-Manors	\$ (75,487.20)	\$ (86,052.00)	Reserves placed in separate bank account for future painting, based on when the homes were painted last or were built.
40-4040-002 - Reserve-Forest Garden	\$ 7,485.24	\$ 9,745.00	The Cottage Reserves fund the Exterior Painting of the Homes. Based on 19 homes @ \$42.74 per month; \$128.22 Per Quarter; Based upon Reserve Study dated June 30, 2023
40-4041-002 - Reserve Transfers-Forest Garden	\$ (7,485.24)	\$ (9,745.00)	Reserves placed in separate bank account for future painting, based on when the homes were painted last or were built.
40-4050-003 Reserve Bristol Wood	\$ 9,455.04	\$ 12,309.00	The Cottage Reserves fund the Exterior Painting of the Homes. Based on 24 homes @ \$42.74 per month; \$128.22 Per Quarter; Based upon Reserve Study dated June 30, 2023
40-4051-003 - Reserve Transfers-Bristol Wood	\$ (9,455.04)	\$ (12,309.00)	Reserves placed in separate bank account for future painting, based on when the homes were painted last or were built.
40-4060-000 - Reserve-Maintenance	\$ 341,138.50	\$ 287,568.00	SHP Reserves meets legal, fiduciary and professional requirements. The SHP Reserves cover common area street paving, street signs, brick pavers, sidewalks, barrier arms and operators, security cameras, Guard house exterior and interior elements, guard house A/C. \$34.58 per month; \$103.74 Per quarter: Based upon Reserve Study dated July 14, 2023 and 693 Parcels
40-4061-000 - Reserve Transfers-Maintenance	\$ (341,138.50)	\$ (287,568.00)	Reserves placed in separate bank account for future repairs of common area items.
	\$ 2,188,966.36	\$ 2,073,352.00	

51-5118-000 - Bank Charges	\$ 40.00	\$ 40.00	Miscellaneous bank charges if required
51-5119-000 - Annual Coporate Report	\$ 100.00	\$ 100.00	Paid in April
51-5120-000 - Insurance-D&O/Liability	\$ 32,594.06	\$ 39,845.00	Vendor: Assured Partners: Insurance renewal for 2024 was calculated with actual policy premium from Assured Partners.
51-5125-000 - Legal Fees	\$ 7,500.00	\$ 11,232.00	Budget increased based on actual 2023 legal fees as of June 2023. Attorney Mankin handles previous association collections; Attorney Wesley Jones is the new corporate and collections attorney.
51-5135-000 - CPA Services	\$ 5,250.00	\$ 6,000.00	This expense is for the annual audit and to prepare the federal income taxes. Annual revenues require an audit per Florida Statutes unless waived by the membership. CPA stated 2024 fee will be \$6,000.
51-5136-000 - Bad Debt Expense	\$ 70,000.00	\$ 70,000.00	Allowance for unpaid assesments
51-5137-000 - Website Service	\$ 3,000.00	\$ 3,000.00	Monthly website hosting - Spoke to the host and he stated there would not be an increase in 2024.
51-5140-000 - Management Fees	\$ 135,832.94	\$ 162,395.00	Management Company per door fee, manager salary and payroll burden. Adding administrative assistant \$18,720 includes 20% payrioll burden.
51-5160-000 - Misc Admin Expense	\$ 9,000.00	\$ 9,000.00	Expenses include copies, mailings, office supplies, paper, computer supplies and etc.
51-5165-000 - Postage & Mailings	\$ 22,117.36	\$ 22,118.00	Expense for Coupon Books, Violation Letter, Statements, Welcome Packets, Annual Meeting Notices and Etc.
51-5166-000 - Committee Expenses	\$ 2,000.00	\$ 2,000.00	Welcome Committee Packets, Christmas Decorating Contest and etc.
	\$ 287,434.36	\$ 325,730.00	

60-6010-000 - Landscape Contract	\$ 99,636.00	\$ 62,916.00	Based on new contract with Steadfast
60-6011-000 - Landscape-General	\$ 46,694.00	\$ 58,000.00	Rock Garden, Tree Removal, Additional Clean up, Replanting, Mulch, annual/perennial replacements.
60-6012-000 - Landscape Replacements	\$ 16,200.00	\$ -	This line item is being removed and combined with 60-6011-000 Landscape General.
60-6013-000 - Pressure Washing	\$ 15,000.00	\$ 15,000.00	Pressure washing of street lights, street signs, sidewalks & etc.
60-6015-000 - Street Maint & Repair	\$ 14,400.00	\$ 14,400.00	Pot holes, street cleaning, any non major repairs
60-6021-000 - Lot Maint-Golf Course	\$ 183,400.00	\$ 194,404.00	Quarterly Billing due to Hampton Golf for maintenance on the Golf Course Zones. (\$185.50 per quarter; \$742 annually); Figures confirmed by Hampton Golf.
60-6025-000 - Irrigation Repairs & Maint	\$ 12,573.00	\$ 5,000.00	Repairs and maintenance HOA Common Area Repairs & Maintenance. Decrease based on actual repairs in 2023 and potential unexpected repairs in 2024.
60-6026-000 - Irrigation-Shared Cost	\$ 319,325.00	\$ 344,871.00	Irrigation costs to SH Irrigation Service, LLC. 2024 rates are increasing by 8% per SH Irrigation agreement.
	\$ 707,228.00	\$ 694,591.00	

64-6425-000 - Gate Database Mgnt	\$ 2,000.00	\$ 500.00	Gate Database System Management; New computer and upgraded DSX System in 2023; Costs should be limited, bearing no unexpected issues.
64-6426-000 - Gate House Maint & Repair	\$ 7,200.00	\$ 7,200.00	Repairs and maintenance to guard house. Pest Control, Cleaning, Building Repairs; This line item also includes pest control around mailbox area.
64-6427-000 - Gate Repair	\$ 5,000.00	\$ 5,000.00	Gate repairs - Vendor: Accurate Electronics
64-6428-000 - Gate Telephone	\$ 1,200.00	\$ 800.00	Guard house telephone.
64-6429-000 - Security Service Contract	\$ 189,999.00	\$ 208,999.00	Vendor: Admiral Security Services: 2024 Increase provided by Admiral Security. Increase brings guards wages up to minimum wage standards.
64-6430-000 - Sheriff Patrol	\$ 3,200.00	\$ 1,500.00	Reduced cost since haven't used in 5 years
	\$ 208,599.00	\$ 223,999.00	
65-6510-000 - HOA Events	\$ 4,000.00	\$ 2,000.00	Quarterly Events
65-6511-000 - Holiday Decorations	\$ 6,000.00	\$ 6,000.00	Holiday Decoration at Guard House
65-6512-000 - Sign and Lighting Maintenance	\$ 4,100.00	\$ 3,000.00	Common area street signs; Lighting in common areas; New signs replaced in 2022; Sign replacements has been added to the reserve study for future replacement.
	\$ 14,100.00	\$ 11,000.00	
70-7035-000 - Cable Service	\$ 491,508.00	\$ 351,185.00	Community Cable / Internet Bundle; per service agreement \$42.23 monthly; \$126.69 per quarter; \$506.76 annually
70-7040-000 - Electricity-General	\$ 132,000.00	\$ 100,000.00	Community Street Lights / Guard House Electric; Budget based on new maintenance agreement with Duke Energy as well as the gate house electricity; NOTE: Duke energy will be replacing all street light globes and putting in led lights which will reduce this line item. Project is expected in late 2023 or in 2024; installation for this project is at no expense to the community.
70-7044-000 - Water/Sewer	\$ 1,154.40	\$ 1,095.00	Guard House Water / Sewer; City is unable to provide any increases information till October/November time frame. Line item is based on 2023 six months actual and 10% possible increase.
38065	\$ 624,662.40	\$ 452,280.00	

71-7110-001 - Landscape-Lily Pond	\$ 38,429.64	\$ 38,835.00	Includes mowing, trimming, edging, pest control, fertilization, tree trimming, mulch and wet checks on the irrigation. Based on 27 homes; - New contract with Steadfast \$1,438.32 annually; \$359.58 per quarter
71-7115-002 - Landscape-Forest Garden	\$ 27,043.08	\$ 27,328.00	Includes mowing, trimming, edging, pest control, fertilization, tree trimming, mulch and wet checks on the irrigation. Based on 19 homes, new contract with Steadfast \$1,438.32 annually; \$359.58 per quarter
71-7117-003 - Landscape-Bristol Wood	\$ 34,159.68	\$ 34,520.00	Includes mowing, trimming, edging, pest control, fertilization, tree trimming, mulch and wet checks on the irrigation. Based on 24 homes, new contract with Steadfast \$1,438.32 annually; \$359.58 per quarter;
71-7120-001 - Irrigation Repairs-Lily Pond	\$ 1,944.00	\$ 1,944.00	Irrigation repairs performed. Based on 27 Homes @ \$6.00 per month; \$72 annually
71-7125-002 - Irrigation Repairs-Forest Garden	\$ 1,368.00	\$ 1,368.00	Irrigation repairs performed.. Based on 19 Homes @ \$6.00 per month; \$72 annually.
71-7127-003 - Irrigation Repairs-Bristol Wood	\$ 1,728.00	\$ 1,728.00	Irrigation repairs performed. Based on 24 Homes @ \$6.00 per month; \$72 annually.
71-7140-001 - Mgmt Contract-Lily Pond	\$ 2,457.00	\$ 2,703.00	Flat Rate Fee \$225.25 per month
71-7145-002 - Mgmt Contract-Forest Garden	\$ 1,728.00	\$ 1,901.00	Flat Rate Fee \$158.42 per month
71-7147-003 - Mgmt Contract-Bristol Wood	\$ 2,183.00	\$ 2,400.00	Flat Rate Fee \$200.00 per month
	\$ 111,040.40	\$ 112,727.00	

72-7220-004 - Landscape-Manors	\$ 214,465.44	\$ 228,516.00	Includes mowing, trimming, edging, pest control, fertilization, tree trimming, mulch and wet checks. Based on 140 homes, new contract with Steadfast \$1,642 annually; \$411 per quarter; \$137 per month
72-7231-004 - Irrigation Repairs-Manors	\$ 8,773.00	\$ 10,580.00	Irrigation repairs performed.
72-7240-004 - Mgmt Contract-Manors	\$ 12,663.00	\$ 13,929.00	Flat Fee \$1,161 per month
	\$ 235,901.44	\$ 253,025.00	
Total Expenses	\$ 2,188,965.60	\$ 2,073,352.00	

<p>(a) An association that meets the criteria of this paragraph shall prepare or cause to be prepared a complete set of financial statements in accordance with generally accepted accounting principles as adopted by the Board of Accountancy. The financial statements shall be based upon the association's total annual revenues, as follows:</p>		<p>THE INITIAL BUDGET OF THE ASSOCIATION WAS PROJECTED (NOT BASED ON ACTUAL HISTORICAL OPERATING FIGURES) AND IS BASED ON BUILD-OUT. THEREFORE, ACTUAL INCOME & EXPENSES MAY BE LESS OR GREATER THAN PROJECTED. DEVELOPER HAS AGREED TO OBLIGATE ITSELF TO DEFICIT FUND OPERATING EXPENSES OF THE ASSOCIATION IN ACCORDANCE WITH SECTION 720.308(1)(B), FLORIDA STATUTES, AND WILL NOT CREATE, ESTABLISH, PROVIDE FOR, OR FUND RESERVE ACCOUNTS, AS PROVIDED IN SECTION 720.303(6)(B), FLORIDA STATUTES. ANY REFERENCE IN THE BUDGET TO RESERVES IS SOLELY FOR INFORMATIONAL PURPOSES. CAPITAL CONTRIBUTIONS MADE BY MEMBERS OF THE ASSOCIATION, OR VOLUNTARILY CONTRIBUTIONS BY DEVELOPER, SHALL NOT BE CONSIDERED OR DEEMED TO BE RESERVES UNDER SECTION 720, FLORIDA STATUTES. THE BUDGET OF ASSOCIATION DOES NOT PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS REGARDING THOSE ITEMS. OWNERS MAY ELECT TO PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS UNDER SECTION 720.303(6), FLORIDA STATUTES, UPON OBTAINING THE APPROVAL OF A MAJORITY OF TOTAL VOTING INTERESTS OF THE ASSOCIATION BY VOTE OF THE MEMBERS AT A MEETING OR BY WRITTEN CONSENT. THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS UNDER SECTION 720.303(6) FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.</p>
<p>1. An association with total annual revenues of \$150,000 or more, but less than \$300,000, shall prepare compiled financial statements.</p>		<p>Approved by the Board of Directors: <i>Ellen Johnson</i></p>
<p>2. An association with total annual revenues of at least \$300,000, but less than \$500,000, shall prepare reviewed financial statements.</p>		
<p>3. An association with total annual revenues of \$500,000 or more shall prepare audited financial statements.</p>		

(b)1. An association with total annual revenues of less than \$150,000 shall prepare a report of cash receipts and expenditures. – This is already satisfied with monthly financials and tax return.

Southern Hills Plantation 2024 Assessment Breakdown

	2023 Annual	2023 Quarterly	2024 Annual	2024 Quarterly
Assessment – HOA Master (Everyone)	\$848.64	\$212.16	\$1,179.00	\$295.00
Assessment-Cable	\$492.00	\$123.00	\$506.76	\$126.69
Assessment-Cottages-Bristol Wood	\$1,588.00	\$397.00	\$1,610.00	\$402.61
Assessment-Cottages-Forest Garden	\$1,588.00	\$397.00	\$1,610.00	\$402.61
Assessment-Cottages-Lily Pond	\$1,588.00	\$397.00	\$1,610.00	\$402.61
Assessment-Golf Course Lot	\$700.00	\$175.00	\$742.00	\$185.50
Assessment-Irrigation 100'	\$298.08	\$74.52	\$347.68	\$80.48
Assessment-Irrigation 110'	\$475.20	\$118.80	\$513.22	\$128.31
Assessment-Irrigation 52	\$194.40	\$48.60	\$206.95	\$52.49
Assessment-Irrigation 65'	\$246.24	\$61.56	\$265.94	\$66.49
Assessment-Irrigation 80'	\$294.84	\$73.71	\$318.43	\$79.61
Assessment-Irrigation Acre+	\$725.76	\$181.44	\$783.82	\$195.96
Assessment-Manors	\$1,661.28	\$415.32	\$1,807.00	\$451.75
Assessment-Reserves-Bristol Wood	\$393.60	\$98.49	\$512.88	\$128.22
Assessment-Reserves-Forest Garden	\$393.60	\$98.49	\$512.88	\$128.22
Assessment-Reserves-Lily Pond	\$393.96	\$98.49	\$512.88	\$128.22
Assessment-Reserves-Manors	\$531.60	\$132.90	\$617.08	\$154.27
Assessment-SHP-Reserves Maintenance	\$341.48	\$85.37	\$414.96	\$103.74