

South Hampton Property Owners Assoc., Inc.

December 9, 2009

Dear South Hampton Homeowner,

Happy Holidays to you and your families. We wish for everyone a wonderful New Year!!

Enclosed please find a copy of the 2010 Budget adopted by the Board of Directors.

Here are just a few highlights in the budget:

- This year we are including the cost for insurance in the budget. The insurance market indicated insurance cost was expected to decrease which happened. As a result, there has been a decrease in the insurance premium.
- Our maintenance staff will receive a 5% increase, in an effort to retain our experienced staff, and to enable them to stay in line with inflationary pressures.
- Our KPMA fees went up substantially this year.
- As each of us knows from paying our own utility bills, the fuel and power bills are increasing. Your Board is always trying ways to save in this category. The budget is showing a decrease in the use of fuel, but an increase in cable.

With all of the above being said, our monthly fees for 2010 will remain the *same* as the last two years:

\$590.00 for a two bedroom unit

\$707.00 for a three bedroom unit

Your payment books have been ordered, and should be arriving in a few days.

If you have previously authorized our company, LITUS* To Let, to perform the automatic bank draft for payment of your maintenance assessments, coupons for 2010 are **not** being ordered for you. Your bank account will **automatically be drafted on or about the 10th of each month.** Please check the unit assessment information enclosed for your banking records.

As always, should you have any comments or questions regarding this, or any other issue(s), please feel free to contact me at 843.448.9000 extension 111; via e-mail at dmillar@litustolet.com or Lynn Edmonds, extension 126; via e-mail at ledmonds@litustolet.com; or via US Mail.

Sincerely,

Doug

Douglas A. Millar

Community Association Manager

Association's Official Web site - SouthHamptonPOA.com
Management E-mail Address- SouthHamptonPOA@litustolet.com
On-Site Maintenance E-Mail Address – SouthHamptonPOA@sc.rr.com

Property Owners Association Professionally Managed by LITUS To Let
Post Office Drawer 9000, Myrtle Beach, SC 29578 --- 843.448.9000 fax 843.626.0101*

SOUTH HAMPTON POA APPROVED 2010 BUDGET

	2010	2009	2008	2007
INCOME				
ASSESSMENTS	\$1,120,748	\$1,120,710	\$1,120,613	\$1,105,213
SPECIAL ASSESSMENT - INSURANCE	NONE	NONE	NONE	NONE
LATE FEES	\$1,500	\$1,500	\$1,500	\$1,500
MISC INCOME	\$120	\$120	\$120	\$120
VENDING INCOME	\$600	\$600	\$1	\$600
COMMON AREA RENTAL	\$6,500	\$6,500	\$6,500	\$6,500
TOTAL INCOME	\$1,129,468	\$1,129,430	\$1,128,734	\$1,113,933
EXPENSES				
REPAIRS/MAINT				
MAINT STAFF SALARIES	\$145,000	\$134,236	\$127,844	\$121,746
EXTERIOR BLDG MAINT	\$1,500	\$1,500	\$1,500	\$1,200
POOL MAINTENANCE AND SUPPLIES	\$6,000	\$5,775	\$5,775	\$5,500
LICENSE & PERMITS	\$400	\$375	\$275	\$225
GENERAL MAINTENANCE AND REPAIRS	\$10,000	\$10,000	\$10,000	\$6,000
PLUMBING SERVICES	\$1,000	\$500	\$500	\$500
ELECTRICAL SERVICES	\$2,000	\$2,000	\$2,000	\$1,800
INTERIOR PEST CONTROL	\$3,600	\$3,402	\$3,402	\$3,240
TERMITE TREATMENT	\$1,700	\$1,700	\$1,610	\$1,610
ELEVATOR MAINTENANCE	\$22,500	\$22,500	\$22,000	\$18,900
COOLING TOWER MAINT	\$10,000	\$10,000	\$10,000	\$4,500
FIRE SYSTEM	\$10,000	\$10,000	\$10,000	\$6,480
SUMMER SECURITY SERVICE	\$7,000	\$6,300	\$6,300	\$6,000
JANITORIAL SUPPLIES	\$8,000	\$8,000	\$8,000	\$8,000
WATER CONDITIONER	\$2,300	\$2,000	\$2,000	\$1,800
WATER DAMAGE REPAIR	\$2,000	\$900	\$900	\$900
TOTAL R & M	\$233,000	\$219,188	\$212,106	\$186,401
GENERAL/ADMIN				
SUPPLIES, PRINTING, POSTAGE	\$3,250	\$3,200	\$3,000	\$3,000
LEGAL SERVICES	\$500	\$1,000	\$600	\$600
CPA AUDIT	\$2,000	\$2,500	\$2,500	\$2,250
MANAGEMENT SERVICES	\$25,000	\$21,168	\$20,160	\$17,712
BANK SERVICE CHARGES	\$800	\$0	\$0	\$900
INSURANCE COVERAGES	\$218,994	\$250,020	\$319,115	\$278,100
ANNUAL MEETING	\$100	\$100	\$100	\$100
TOTAL G & A	\$250,644	\$277,988	\$345,475	\$302,662
UTILITIES				
ELECTRICITY	\$59,000	\$59,000	\$57,750	\$55,000
WATER AND SEWER	\$80,000	\$80,000	\$87,000	\$93,000
FUEL	\$5,000	\$17,000	\$17,000	\$11,500
TRASH REMOVAL	\$10,500	\$10,500	\$10,500	\$10,200
CABLE TV - FROM KPMA	\$40,421	\$38,496	\$36,663	\$37,135
TELEPHONE, INTERNET, COMM.	\$6,000	\$5,500	\$5,000	\$4,200
TOTAL UTILITIES	\$200,921	\$210,496	\$213,913	\$211,035
OTHER EXP				
MASTER ASSOCIATION FEES - FROM KPMA	\$206,748	\$195,038	\$186,344	\$170,467
RESERVE DEPOSIT	\$197,000	\$185,000	\$130,000	\$90,000
FEDERAL INCOME TAX	\$0	\$0	\$0	\$0
STATE INCOME TAX	\$135	\$250	\$25	\$25
GENERATOR LEASE	\$17,300	\$16,750	\$16,750	\$0
OPERATING CONTINGENCY	\$5,000	\$6,000	\$6,000	\$6,000
CAPITAL IMPROVEMENTS	\$10,000	\$10,000	\$10,000	\$6,000
LOAN PAYMENT	\$0	\$0	\$0	\$52,284
TOTAL OTHER	\$436,183	\$413,038	\$349,119	\$324,776
TOTAL EXPENSES	\$1,120,748	\$1,120,710	\$1,120,613	\$1,024,874
2010 Monthly 2008 Monthly 2007 Monthly				
Reserve Account Balance - 12-01-09	\$590	\$590	\$590	\$540
\$313,616	\$707	\$707	\$707	\$648
Insurance Levy Insurance Levy Insurance Levy Insurance Levy				
None	None	None	None	\$1,370
None	None	None	None	\$1,644