

**NEPTUNE HOUSE RESORT  
PRESENTATION BUDGET  
2017**

REVENUE

ANNUAL ASSESSMENT INCOME	579,999
AMENITIES OPERATING INCOME *	48,500
AMENITIES CONSTRUCTION INCOME	57,200
OTHER INCOME/AVAILABLE 2016 RESERVES	88,400
RENTAL INCOME	1,500
BAD DEBT RECOVERY	1,060
RESERVE INCOME	<u>92,024</u>
TOTAL REVENUE	<u><u>868,683</u></u>

EXPENSES

OPERATING EXPENSES	227,696
ADMINISTRATIVE EXPENSES	101,993
FIXED EXPENSES	58,521
PAYROLL EXPENSE	<u>174,202</u>
<i>SUBTOTAL</i>	<u>562,412</u>
AMENITIES OPERATING COST *	48,500
POOL CONSTRUCTION COST	177,000
ADDITIONAL UNIT IMPROVEMENTS	21,000
ADDED TO RESERVES	34,187
BAD DEBT EXPENSE	25,584
TOTAL EXPENSE	<u><u>868,683</u></u>

FIXED EXPENSES

INSURANCE	42,912
PROPERTY TAXES	15,609
SUBTOTAL FIXED EXPENSES	<u><u>58,521</u></u>

PAYROLL & BENEFITS

PAYROLL EXPENSE	153,127
TAXES AND BENEFITS	21,075
SUBTOTAL PAYROLL & BENEFITS	<u><u>174,202</u></u>

OPERATING EXPENSES

ELECTRICITY	18,946
PROPANE	2,371
WATER/SEWER	7,527
TRASH REMOVAL	5,801
PEST CONTROL	928
TELEPHONE	18,588
CABLE TELEVISION	5,018
HEATING OIL	14,222
REPAIRS AND MAINTENANCE	33,253
GUEST CLEANING SUPPLIES	12,960
LAUNDRY/LINEN	20,059
SEWER	14,750
ROOM EQUIPMENT REPLACEMENT	8,461
PAINTING	1,747
SECURITY	1,715
CONTRACT LABOR	46,068
MISCELLANEOUS EXPENSES	15,282
SUBTOTAL OPERATING EXPENSE	<u><u>227,696</u></u>

ADMINISTRATIVE AND GENERAL EXPENSE

MANAGEMENT FEES	53,340
COFFEE/WATER EXPENSE	1,000
OFFICE EXPENSE	3,915
LICENSE & PERMITS	888
LEGAL/AUDIT	3,000
SUBSCRIPTIONS & DUES	3,889
BILLING & COLLECTIONS	-
PRINTING	4,477
ACCOUNTING	2,250
MISCELLANEOUS EXPENSES	18,100
CREDIT CARD CHARGES	1,900
PAYROLL PROCESSING	3,897
POSTAGE	1,557
MEETINGS	3,480
RESERVE STUDY	300
SUBTOTAL ADMINISTRATIVE AND GENERAL EXPENSES	<u><u>101,993</u></u>

\* Broken out for purposes of comparison to the September 2016 letter to owners. Will be included in Annual Assessment and Operating Expenses in future years.

	2017 Fees			Amenities Construction	Amenities	Total
	Operating	Taxes	Reserves	Fee (Year 1 of 3)	Operating Fee*	
Float	539.00	15.00	88.00	56.00	48.00	746.00
Studio	882.00	25.00	144.00	92.00	78.00	1,221.00
One Bedroom	980.00	28.50	160.00	102.00	86.50	1,357.00
Two Bedroom	1,078.00	31.50	176.00	112.00	95.50	1,493.00