

THE LANDINGS MANAGEMENT ASSOCIATION, INC.

TO: LMA Board of Directors

FROM: R. Bayles *R. Bayles*

SUBJECT: Treasurers Report for Period Ending November 30, 2011

DATE: December 31, 2011

Treasurer's Report for Period Ending November 30, 2011¹

There is one notable variance in spending vs. budget for the month of November 2011.

SIGNIFICANT MONTHLY VARIANCE

Account	Change	Explanation
Aesthetics	6,500	Down payment for front entrance lighting.

There are several changes to the forecast for the 2011 Fiscal Year from last month's report:

CHANGES to the 2011 FORECAST

Account	Change	Explanation
Sprinkler/Irrigation Repairs	1,000	Revised forecast based on actual expenses through November 30.
Maintenance Man & Truck	(1614)	Revised forecast based on actual expenses through November 30.
Fountain Maintenance Other	(2,000)	Revised forecast based on actual expenses through November 30.
Electric	(9,000)	Revised forecast based on actual expenses through November 30. The anticipated cost increase from FPL did not occur.
Main Gate Security and Roving Patrol	20,000	Revised forecast based on actual expenses through November 30. I should have picked this up earlier, as we budgeted in 2010 before we had a revised contract from Allegiance.

¹ In the attached spreadsheet, the changes are highlighted in yellow.

Account	Change	Explanation
Bad Debt Expense	(3,000)	Revised forecast based on actual expenses through November 30.
Contingency	(10,000)	Revised forecast based on actual expenses through November 30.

The forecast now shows a small addition (\$1,500) to surplus in 2011. However, not all of the funding committed to in 2011 (notably the front entrance lighting and a portion of the web site project) will be actually paid in 2011 and, therefore, the reported year-end results will be higher than the forecast. The holdover 2011 amounts will be reflected in 2012 operations and noted as 2011 expenses for comparison to budget purposes.

The Landings Management Association, Inc.
2011 Forecast of Operations

	2011		
	FORECAST	BUDGET	\$ vs. Budget
Income			
5010 · Assessments	822,042	822,042	-
5012 · Assessment track C&D	14,848	14,848	-
5030 · Sales & Lease Fees	-	-	-
5040 · Other	-	-	-
5045 · Fines	1,500	1,800	(300)
5050 · Interest	2,500	2,000	500
5065 · Documents	-	-	-
5070 · Vehicle Decals	700	900	(200)
5090 · Carryover	(39,357)	(39,357)	-
Total Income	802,233	802,233	-
Expense			
7100 · Grounds			
7120 · Grounds Contract	39,790	39,790	-
7125 · Chemical Treatment	9,200	9,200	-
7130 · Landscaping	83,000	62,000	21,000
7140 · Tree Trimming	6,000	6,000	-
7145 · Sprinkler/Irrigation Contract	3,000	3,000	-
7155 · Sprinkler/Irrigation Repairs	11,000	6,000	5,000
9230 · C&D Landscaping	3,800	3,800	-
9240 · C&D Grounds Maint Contract	6,000	6,000	-
9260 · C&D Chemical Treatment	2,400	2,400	-
9280 · C&D Irrigation Maintenance	2,000	2,000	-
Total 7100 · Grounds	166,190	140,190	26,000
7150 · Roads			
7160 · Road Sweeping	12,000	12,000	-
7165 · Road Repairs & Maintenance	15,000	75,000	(60,000)
7169 · Addition to Road Reserve	60,000	-	60,000
7170 · Ditch Maintenance	5,000	2,000	3,000
7175 · Drainage	25,000	33,000	(8,000)
7178 · Storm Sewer Repair	-	10,000	(10,000)
9291 · C&D Road Repair & Maintenance	3,500	3,500	-
Total 7150 · Roads	120,500	135,500	(15,000)
7200 · Maintenance & Repairs			
7210 · Lighting Repairs	2,000	3,000	(1,000)
7215 · Lighting Supplies	250	500	(250)
7220 · Maintenance Supplies	4,000	4,000	-
7225 · Maintenance Man	25,000	26,214	(1,214)
7230 · Maintenance Truck	1,600	2,000	(400)
7235 · Wall Painting & Maintenance	-	-	-
9290 · C&D Lighting Repairs & Supplies	250	250	-
9300 · C&D Maintenance Supplies	150	150	-
Total 7200 · Maintenance & Repairs	33,250	36,114	(2,864)
7300 · Lakes			
7320 · Lakes	10,000	10,000	-
7340 · Fountain Maintenance - Contract	1,800	1,800	-
7345 · Fountain Maintenance - Other	10,000	7,000	3,000
Total 7300 · Lakes	21,800	18,800	3,000

**The Landings Management Association, Inc.
2011 Forecast of Operations**

	2011		
	FORECAST	BUDGET	\$ vs. Budget
7500 · Utilities			
7510 · Water/Sewer	600	1,000	(400)
7520 · Electric	46,000	60,000	(14,000)
9050 · C&D Electric	300	300	-
Total 7500 · Utilities	<u>46,900</u>	<u>61,300</u>	<u>(14,400)</u>
7700 · Security			
7720 · Guardhouse Maintenance	3,000	14,000	(11,000)
7723 · Janitorial Service - Guardhouse	1,820	700	1,120
7725 · Security Main Gate	160,000	144,600	15,400
7730 · Roving Patrol	65,000	60,320	4,680
7735 · Security-Other	22,450	16,460	5,990
7740 · Gates-Maintenance	17,000	8,000	9,000
7745 · Signage & Miscellaneous	1,000	8,000	(7,000)
Total 7700 · Security	<u>270,270</u>	<u>252,080</u>	<u>18,190</u>
7750 · Insurance			
7760 · Insurance	13,726	13,200	526
7765 · Damage Claims	-	-	-
9150 · C&D Insurance	300	300	-
Total 7750 · Insurance	<u>14,026</u>	<u>13,500</u>	<u>526</u>
7800 · Administration			
7820 · Legal/Professional	7,500	9,500	(2,000)
7822 · Litigation Expense	30,000	60,000	(30,000)
7825 · Accounting Services	3,500	3,600	(100)
7835 · Fees, Dues, License	61	61	-
7840 · Income Tax	600	600	-
7870 · Management Fee	38,077	38,077	-
7880 · Office Supplies, Postage, etc.	5,000	5,000	-
7882 · Document Storage	1,800	-	1,800
7885 · Landings Eagle Newsletter	9,100	9,100	-
7886 · Communications	4,200	2,500	1,700
7887 · Strategic Planning	7,300	1,000	6,300
7888 · Aesthetics	18,328	-	18,328
7890 · Bad Debt Expense	2,000	5,000	(3,000)
7892 · Property Tax	8	11	(3)
7895 · Contingency	-	10,000	(10,000)
9380 · C&D Administration	300	300	-
9390 · C&D Prior Year Deficit	-	-	-
Total 7800 · Administration	<u>127,774</u>	<u>144,749</u>	<u>(16,975)</u>
8000 · Natural Areas			
8010 · Nature Trail	-	-	-
8020 · Nature Preserves	-	-	-
8030 · Eagles Nest Area	-	-	-
Total 8000 · Natural Areas	<u>-</u>	<u>-</u>	<u>-</u>
Total Expense	<u>800,710</u>	<u>802,233</u>	<u>(1,523)</u>
Increase/(Decrease) of Surplus	<u>1,523</u>	<u>-</u>	<u>1,523</u>

THE LANDINGS MANAGEMENT ASSOCIATION, INC.
5350 LANDINGS BOULEVARD • SARASOTA FL 34231

To: Board of Directors, George Niel
From: Dick Bayles
Date: January 5, 2012
Subject: Security Expense Variance to Budget

Attached you will find data and charts that describe the following explanation for the Main Gate and Roving Patrol security expense variance (approximately \$20,000 annually) for 2011 (and projected similar variance for 2012). The attachments include:

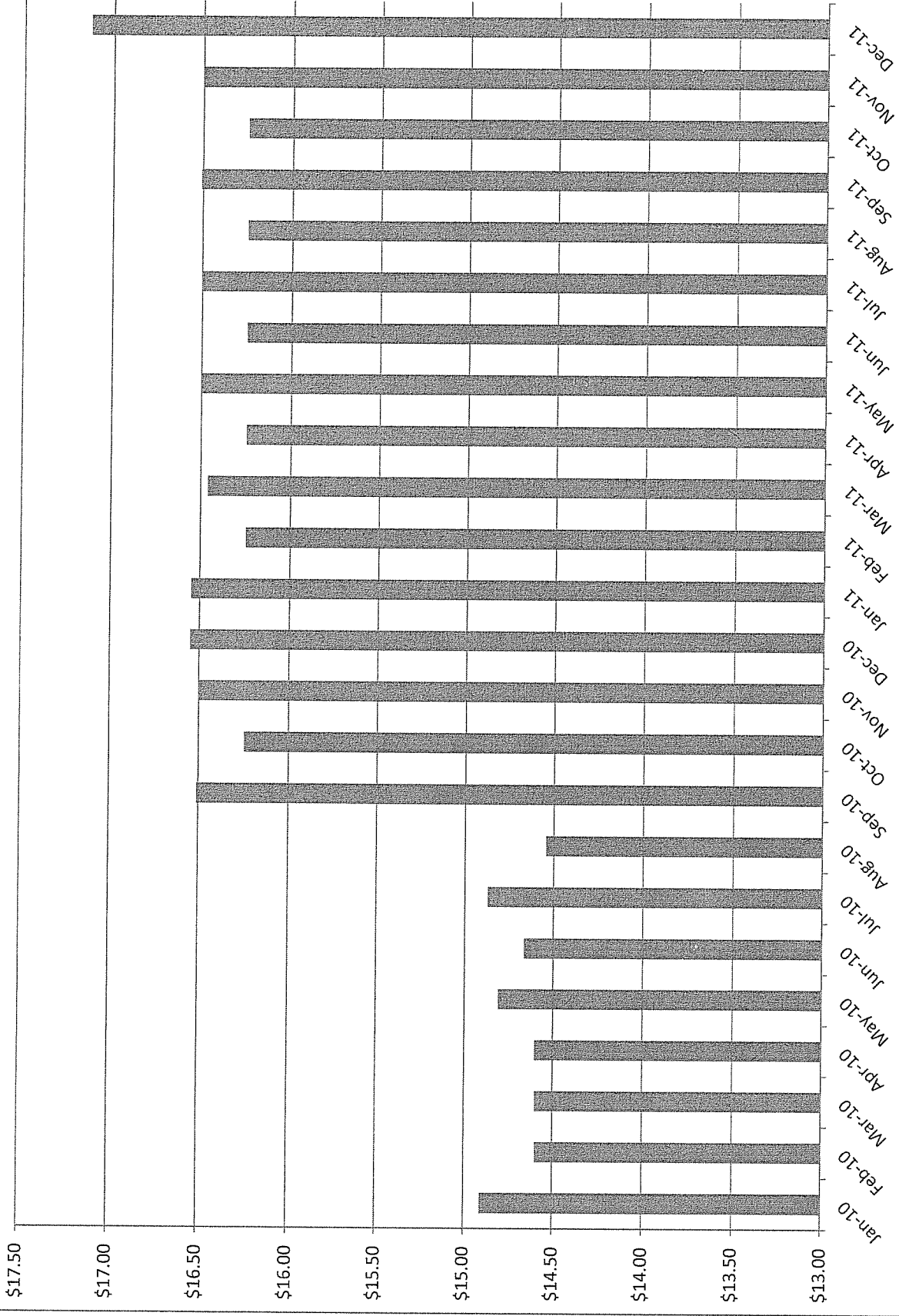
- A chart of the Average \$/Hour charged (this is a blend of regular hours and holiday hours).
- A chart of the monthly hours charged for 2010 and 2011.
- A chart of the total charged per month for 2010 and 2011.
- The detail data supporting the charts.

The hourly rates charged for regular hours and holiday hours were increased in September 2010 by 11.9%, after the preliminary budget was established at the then existing rate. A subsequent statement during the budget process that rates would be unchanged apparently referred to those in effect in September (and thereafter). The numbers were never changed from the original 2011 draft.

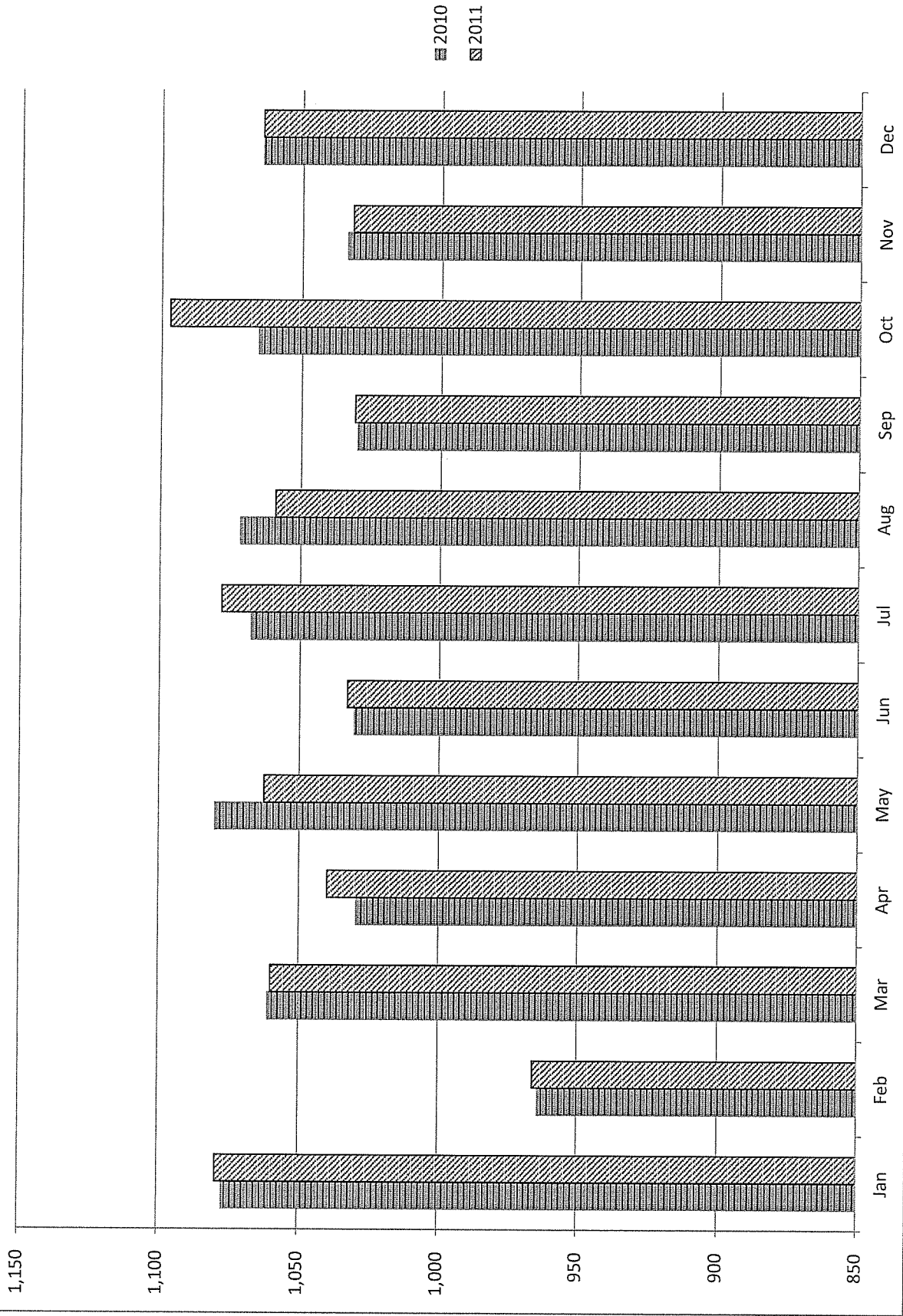
The variance for the 2010 year was not significant enough to raise my concern (the average hourly rate increase for 2010 was 2.9%).

I *should* have picked up on the growing YTD variance much earlier in 2011 than I did when reviewing the November 2011 financials, received late in December 2011. As a consequence, when the rates were said to not change, these numbers were used in the 2012 budget as well. Hence, the 2012 forecasts will show a negative variance of \$20,000 annually as well.

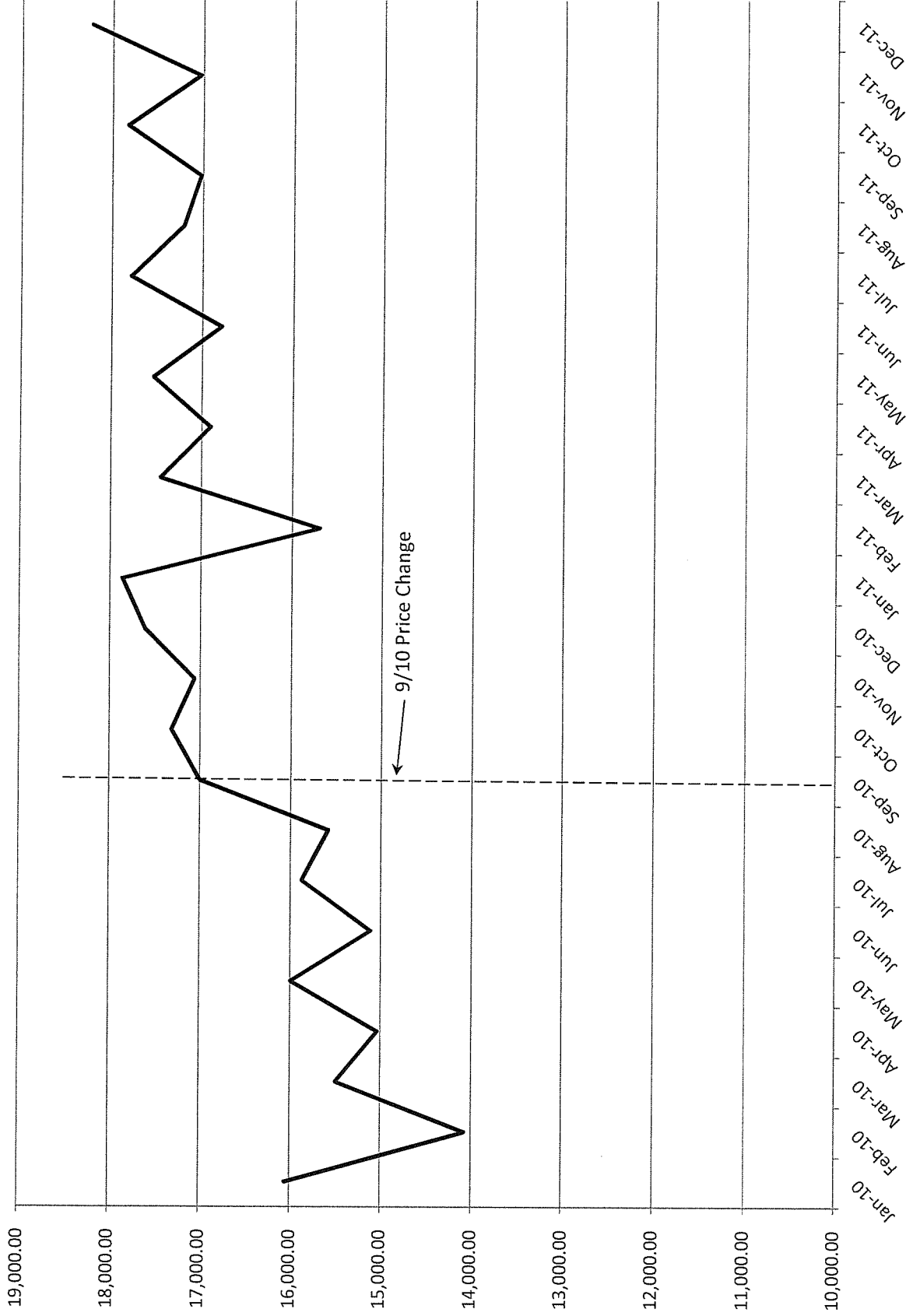
Average \$/Hour



Hours by Month



Total \$ by Month



Landscape Committee Update

1/5/12

- Landings Blvd / Landings Circle Dead Tree - 1/4
 - *received proposal from Merle Raber. Need to discuss with*
- Landscape Contract Bid/SOW - 12/14 per George,
Florida Lawn Pro not bidding
- Starling Drive/Marina Improvement – *Raber to develop some options. Met with Raber and H. Zimmerman 11/7. Need to close project with Harold, not LMA property*
- 2012 Landscape Project Plan- TBD

Landscape Committee Update

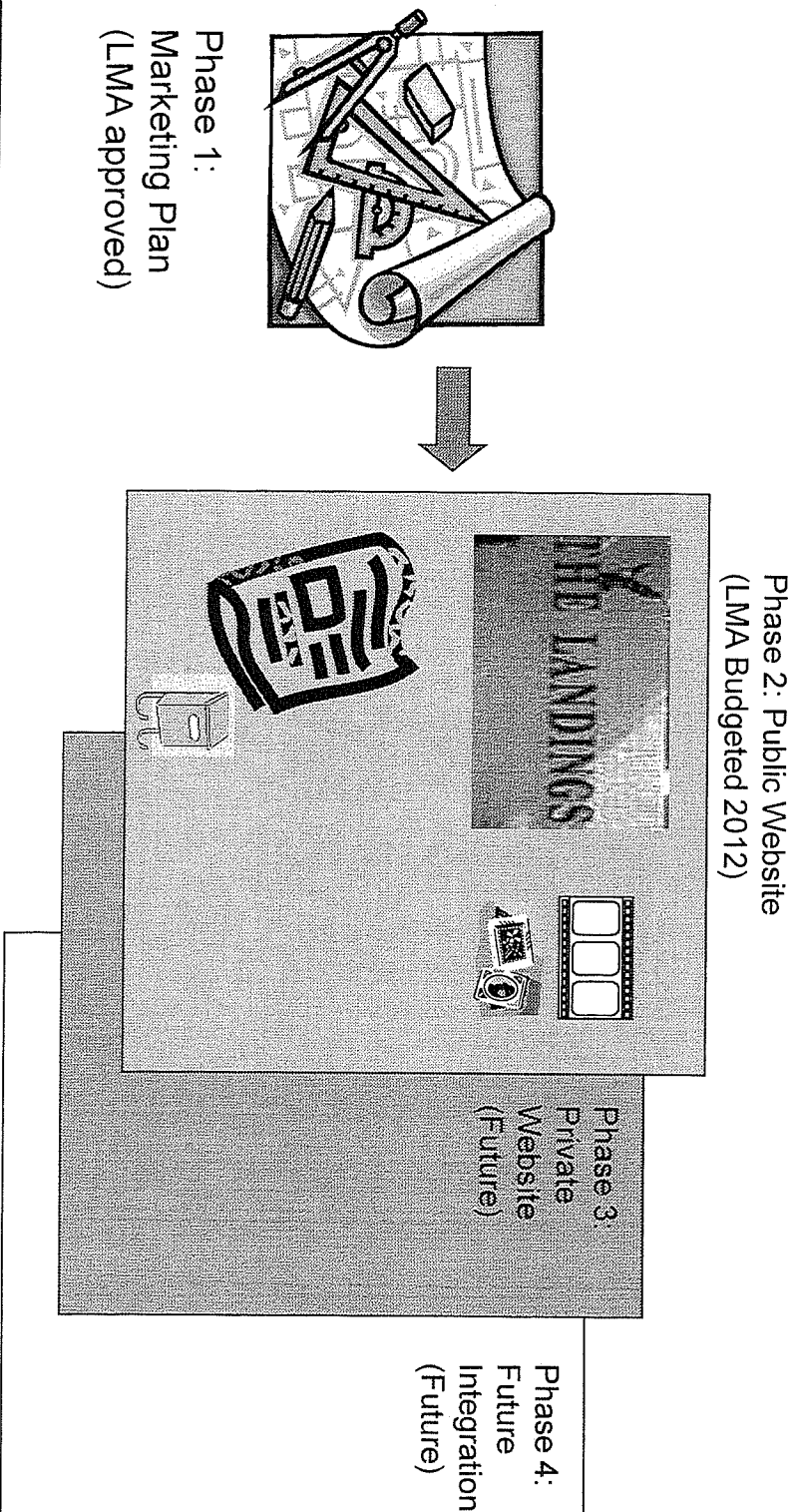
Completed Items

- South Gate Rail Road Ties – **complete 8/11**
- Landings Blvd/Pintail Way Palm Tree – **complete 11/17**
- ENA Grass Cutting – **complete 11/17 scheduled**
- Landings Blvd/Cloisters Stockade Fence plan – **complete 11/17**
- Broken Tree on Landings Blvd-**complete 9/11**
- Heron Way Landscaping – **complete 10/11**
- Summer Landscape Trimming – **complete 8/11**
- Christmas Lights – **complete 8/11**
- Kestral Parkway North Phoenix Palm – **complete 9/11**
- ENA Invasives – **complete 8/11**
- ENA Tree/Limb Removal- **complete 8/11**
- LMA Tree Limb Removal Project – **complete, Mark Collins 9/1 ~ 15K to bring current situation to a maintenance state. Recommend 3 days 2011; 3 days 2012; 1.5 days in 2013**
- Kestral Parkway North Post and Ropes – **received 2 bids, referred to committee**
- Front Gate Plan – **complete 12/17/11**

Agenda

- Update: LMC evaluation of freeware communication tools
 - What we found: Google, Facebook, Yahoo Examples
 - Summary of LMC approach
-

Marketing Plan – Phased Approach



Update: Evaluation of freeware communication

Phase 2: Types of functionality that could benefit the Landings Community

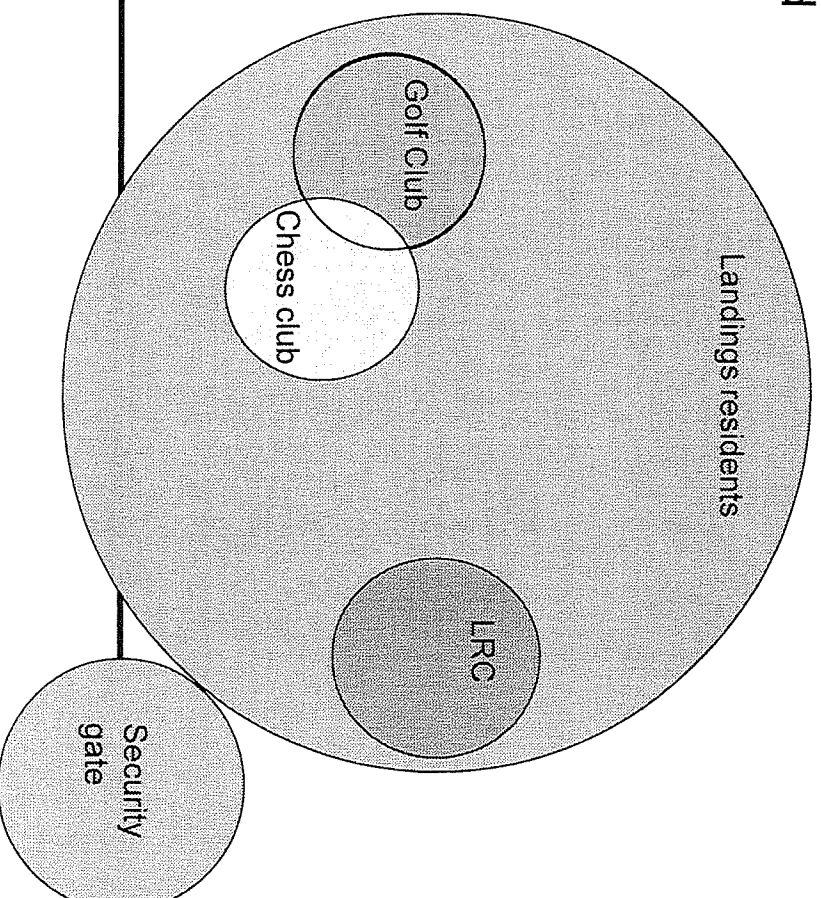
- **Move Green Book online** –
 - Centrally manage; eliminate costs associated with publishing/ mailing
 - Let residents manage their own Profile (address book entry)
- **Establish interest groups associated with Green Book profile**
 - Group discussion rooms; viewed only by those interested; not viewed by all
- **Integrate with additional security functions**
 - Resident self-manage “Authorized Guests Lists”
 - Send security bulletins/alerts to residents cell phones (opt-in required)

Update: evaluation of freeware communication

A sample view of what is needed from managing groups

Venn Diagram to demonstrate access control

- Keep groups organized
- See only content for group you belong to
- Control thru Green Book



Update: evaluation of freeware communication

We explored free options like Google Groups, Facebook, Yahoo Groups

What we found:

Cannot integrate with security, other functionality

Privacy is not really private

- Publishing Green Book would give Google/Facebook/Yahoo all your info
- All offer free services in exchange for selling your info to marketers
- Name/email not sent to marketers but everything you click, write, read, demographic info, etc is sold to marketers
- Privacy is not guaranteed
- A lot of recent news on breaches, ex. Facebook

From Google Groups Privacy Policy:

- “GOOGLE COLLECTS AND MAINTAINS INFORMATION ABOUT YOUR ACCOUNT ACTIVITY, INCLUDING THE GROUPS THAT YOU JOIN OR MANAGE, LISTS OF OTHER MEMBERS OR INVITEES IN THE GROUPS, MESSAGES, OR TOPICS YOU TRACK, CUSTOM PAGES YOU CREATE OR EDIT, RATINGS YOU MAKE, AND YOUR PREFERRED SETTINGS WHEN USING GOOGLE GROUPS.”