

Neighbors,

We, as the finance committee wish to comment about the HOA increase ratified at the board meeting on December 19.

The 2018 budget was prepared by the finance committee over the course of several weeks. While some increases in rates are known earlier in the year, many are not known until the end of the November. As a direct result, the budget was calculated December 8, provided to the board to review via email on December 10 and ratified with \$25 per month increase on December 19. This year, our expenses are expected to increase 7%. Expenses we have no control over include property taxes, insurance and other fees necessary in operating our moorage. Expenses we have control over include utility usage. While our utility usage hasn't dramatically changed, the rates have and will continue to increase. Based on these facts, operating expenses are expected to be \$710,000 in 2018, a 7% increase from 2016.

Once the finance committee agreed with the proposed budget, a copy was provided to the board, then presented at the board meeting in December. After some debate, the board unanimously adopted the budget with a 7.14% increase per month. This was a very difficult, but necessary decision that the board needed to reach. It is taken very seriously. Debate topics included, "Three straight years of HOA increases," "those on fixed incomes will be effected by this increase," among others. The finance committee and Board Of Directors fiduciary responsibility to our home, JBMI and it's members, us, is paramount. Controlling expenses and revenues it the primary duty of the governance of any Homeowners Association. It would be a direct violation of our bylaws if the committee and Board did not recommend an increase to cover our operational costs.

These increases challenge all of us. Increased rates for property taxes, homeowners insurance and all of our personal monthly expenses are difficult to absorb. We on the finance committee are acutely aware of their impact individually. A difficult decision for all of us to make. Understandably there are questions. We try to address them with this statement. The numbers are clear, our moorage needs the increase in order to meet our financial obligations. If we could have known about the increase earlier, we would have. We would rather have correct numbers for our budget than under/over estimate expenditures and operate with a deficit.

Please contact any of us personally with any questions you may have.

Thanks

JBMI BOARD OF DIRECTORS.