

BAYSHORE CONDOMINIUM ASSOCIATION OF PENSACOLA, INC.

825 Bayshore Drive
Pensacola, Florida 32507

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December 21, 2007

Unit Owners
Bayshore Condominium

Ladies and Gentlemen,

In order that the Board of Directors comply with the Bayshore Condominium's governing Declaration, I enclose the budget and monthly maintenance fees for the year 2008 which were adopted by the Board at its meeting on December 20, 2007.

This enclosed adopted budget reflects the Board's decision to retain the full shifts of doormen, as mandated by your vote in substantial majority to do so.

Very truly yours,

Frederick G. Gund, Treasurer
For the Board of Directors

ADOPTED OPERATING BUDGET
 JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

FUNDS	
Maintenance Fees	\$ 514,140
Rent Income	8,000
Garage Special Assessment - 10 Year Payments	6,512
SBA Loan Special Assessment Payments	78,181
Ivan Special Assessment - Four-Year Financing Payments	16,600
Laundry Income	8,500
Late Fees	1,000
Service Calls	750
Miscellaneous Income	400
Interest Income	8,214
Carryover From 2007-Operating Accounts	7,500
Carryover From 2007-Garage Special Assessments	21,759
Carryover From 2007-SBA Loan Proceeds	12,000
Carryover From 2007-Ivan Special Assessment Funds	500
Carryover From 2007-Ivan Deductible Special Assessment Funds	30,000
Carryover From 2007-Insurance Trustee	7,850
Carryover From 2007-Four Year Finance Agreement	14,113
TOTAL FUNDS	\$ 730,019
EXPENDITURES	
Office Administration	\$ 3,000
Legal	6,500
Accounting & Auditing	5,000
Telephone and Internet Access	3,400
Manager's Salary	39,000
Maintenance Man's Salary	24,000
Janitor's Salary	19,500
Doormen's Salaries - Security	59,480
Payroll Taxes	11,700
Janitor Supplies	4,000
Maintenance Supplies	4,500
Security	0
Contract Services	11,250
SBA Loan Funds Authorized Expenditures	12,000
Ivan Special Assessment Funds Authorized Expenditures	500
Ivan Deductible Special Assessment Funds Authorized Expenditures	30,000
Insurance Trustee Funds Authorized Expenditures	7,850
Elevator Contract & Service	23,175
Pool Maintenance & Supplies	3,000
Lawn Care	1,000
Insurance - Property/Flood/Liability/D&O/Fidelity/Bond/W-C	130,000
Taxes & Licenses - On Association Property & Other	2,500
Fees to Condominium Division	392
Rent for Recreational & Commonly Used Facilities	N/A
Taxes on Leased Areas	N/A
Electricity	34,000
Water	14,000
Sewer	18,000
Natural Gas	350
Garbage Service	5,000
Pest Control	3,000
Cable Television Service	32,500
Loan Principal and Interest Payments - Garage Repair Debt	12,161
Loan Principal and Interest Payments - SBA	76,189
Loan Principal and Interest Payments - Four-Year Financing Debt	20,722
Contingencies	10,000
Working Capital - Operating Fund	15,000
Working Capital - Garage 10-Year Payments	16,110
Working Capital - Four Year Financing Payments	8,991
Funding Reserves	62,250
TOTAL EXPENDITURES	\$ 730,019

BAYSHORE CONDOMINIUM ASSOCIATION OF PENSACOLA, INC.
 MONTHLY MAINTENANCE FEES
 JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

ADOPTED
 FULL BUDGET

	<u>Number</u>	<u>Percentage</u>	<u>2007 Monthly Maintenance Fees</u>	<u>2008 Monthly Maintenance Fees</u>	<u>Increase (Decrease)</u>
One Bedroom	30	.95% 28.50%	\$417.00	\$409.00	(8.00)
Two Bedroom	51	1.00% 51.00%	\$437.00	\$429.00	(8.00)
Three Bedroom	15	1.10% 16.50%	\$479.00	\$469.00	(10.00)
Penthouse West	1	1.46%	\$627.00	\$614.00	(13.00)
Penthouse East	1	2.54%	\$1,071.00	\$1,047.00	(24.00)

Fellow owners, please understand that the above 2008 adopted full budget monthly maintenance fees DO NOT INCLUDE the SBA loan monthly assessments, nor the installment amounts for those who elected long-term payment of the garage special assessment of 2002 or 2006 (van special assessment).