



LIGHTHOUSE

Property Management

A division of RealManage, LLC

September 22, 2021

The Royal St. Andrew Association, Inc.
c/o Heidi Modaro
hmodaro@yahoo.com

RE: Management Services Proposal

Board Members,

I truly appreciate the opportunity to present our management services to you next week. I believe we can provide the level of attention and expertise you require at Royal St. Andrew. With Lighthouse, you receive a full-service management team to care for your property. We are:

- A management company that has been in business for over thirty (30) years.
- We manage over 140 associations in Sarasota and Manatee counties.
- We employ twenty-seven (27) community association managers, of which thirteen (13) are portfolio managers.
- Each portfolio manager is supported by a full-time administrative assistant, a collection clerk, I.T. Director, General Manager, VP of Operations and Training, an accounts payable/receivable person and a full-charge bookkeeper.
- Our accounting department is eleven (11) cross-trained staff people who produce a financial report, by the 20th of each month.
- We have four (4) office locations in Sarasota and Manatee Counties.
- As a division of RealManage, LLC, we have the resources of the third largest community association management firm in the country complementing our local market staff and services.

I. FINANCIAL MANAGEMENT SERVICES: We offer a local Accounting Office staffed by eleven (11) accounting professionals. Your Association would receive an accountant and AP/AR professional specifically chosen to handle the financial management of your Association.

1. We furnish monthly financial statements for the Association, which shall include Balance Sheet, Statement of Revenue and Expenses, Reserve Component Analysis, Checkbook Reconciliations, Aged Receivables and Payable Schedule. These statements are provided to the board a week before your monthly meetings. The accountant is available to meet with your treasurer at any time to go over any financial questions or concerns.

2. We prepare prompt disbursement and payment of all obligations and expenditures for the Association when due from Association funds through our established invoice approval procedure with Board of Directors detailing amounts Lighthouse Property Management is authorized to approve, require approvals and payment process. Board members will determine who will be signatory on checks issued.

3. We provide information for filing governmental agencies forms, reports and returns including federal and State Income tax.

4. We prepare monthly, quarterly, semi-annually and/or annual billings for the maintenance fees of the Association's members.
5. Bill, collect and receive, in the name of the Association, all budgeted maintenance and reserve fees.
6. Initiate a standardized written "Collection Policy" established cooperatively by Lighthouse Property Management, your documents, Florida Statutes, legal review and the Board of Directors. Follow-up on all delinquent accounts. Proceed with collection and lien action through legal retainer when authorized by the Board of Directors. Furnish the Board of Directors with a monthly list of delinquent accounts receivables.
7. Maintain a proper accounting of Reserve Component activity for the Association.
8. Provide assistance to any accounting firm engaged by the Board of Directors to perform required accounting or audit services. Preparation of any tax returns shall be at the Associations' expense.
9. Administer the financial records in compliance with Florida Statutes and in accordance with generally accepted accounting principles.
10. Establish and maintain bank account(s) in the name of the Association (e.g., Operating Accounts, Reserve Accounts, Money market and/or Treasury Accounts, Certificates of Deposit), as required or as necessary. Funds are not comingled with other Clients' or Lighthouse Property Management Corporation funds. Lastly, the Board of Directors will determine what bank the association will use and who will be on the Bank account as a signer. (It is a policy of Lighthouse Property Management, where we prefer not to be a signer on your bank account(s).)
11. Consult with professional money managers and the Board to determine best financial vehicle for association funds to realize best return.
12. Comply with the mortgagee requests for Condominium/Homeowner Certificates and certificates of Insurance. Complete all insurance related applications.

II. ADMINISTRATIVE AND MANAGEMENT SUPPORT SERVICES: Every one of our Portfolio Managers (PM) has a personal Administrative Assistant who will oversee the day to day operations of your Association. This person works closely with the Portfolio Manager, who will not exceed twelve (12) properties to oversee at any given time. Each one of our PM's are seasoned, licensed CAM's. Lighthouse hires only the top professionals in their field, who are trained in "The Lighthouse Way", based on a thirty-six (36) year study on the most efficient policies and procedures for effective Association management.

1. The PM responds promptly to all owner inquiries.
2. The PM visits the property once a week and inspects the property on a routine basis. Inspections will be made with scheduling determined by project needs and review of work of contractors and/or employees. A written report by the property Manager will be circulated to the Board of Directors upon request, each month. In addition, provide a continuing evaluation and bidding process, seeking the most economical services available for your Association while still maintaining the quality.
3. The PM maintains and updates a current list of owners and their addresses.
4. The PM attends all meetings of the Board of Directors and membership meetings.

5. Each year, the PM prepares a draft of an annual budget for the Board of Directors review including preparation and presentation of collateral back-up materials.
6. Prepares any and all agendas for Board of Directors meetings. Take notes and type up the minutes of any and all meetings, as instructed by the Secretary, Roberts Rules of Order, following Florida Statutes criteria and format.
7. In a discreet and professional manner, the PM assists the Board of Directors in enforcing rules, regulations and restrictions in accordance with the documents and bylaws of the Association.
8. We provide a twenty-four (24) hour "live person" emergency contact for the members. In addition, the Board of Directors will be given a private home telephone number and a cellular telephone number of your management representative.
9. The PM makes all necessary preparations for the Annual Members Meeting. This includes timely meeting notices, agenda preparation, proxies, election ballots and any organizational administration, in accordance with Florida Statutes.
10. The PM secures for review by the Board of Directors any proposals, bids and/or contracts for maintenance and repairs of the Common Elements within the authority of the Association. Upon approval of the Board of Directors, employ, train, discharge and supervise all individuals or companies necessary for the performance of the duties and responsibilities placed upon the Association.
11. Reviews and counsel with the Board of Directors as to cost-effective, preventative maintenance programs.
12. The PM continuously monitors and adjusts vendor contract obligations, concurring with the Board's design and instruction.
13. Communicates the status of the Association at meetings, render advice, keep the Board informed of recent House Bills and changes in the Florida Statutes while taking direction from the Board of Directors.
14. Provide an office staff of qualified and educated management professionals who stay in constant touch with the changes to Condominium and Homeowner Association Statutes, to assist in the financial and administrative duties required by the Association.
15. Expenses:
 - a. Photocopying shall be per copy, per side. Stationary, labels, envelopes, and postage would be paid by the Association per attached expense sheet.
 - b. Large mailers requiring excessive copying at one time, (such as annual meeting notices), would be delivered to and performed by one of the local office supply firms where their greatly reduced copy rate is passed on to the association, at cost, plus a few cents per copy.
16. There is **NO CHARGE** for the following items:
 - Processing and setting up financial forms,
 - Preparing and e-mailing monthly financials.
 - Typing and e-mailing minutes to the board.
 - Setting up additional bank accounts.
 - Purchasing certificates of deposits.
 - Rolling over certificates of deposits.
 - Changing association bank accounts.
 - Renewing bank signature cards.

- Assisting and/or writing bid specifications.
- Reviewing requests by unit owners for modifications of common elements or their units.
- Assisting in the preparation of income tax returns.
- Tracking and/or expending reserve funds.
- Investigating and reporting the repair of insurance claims by association insurance agent.
- Emergency calls after hours and on weekends.
- Creating violation letters to owners.
- Establishing accounting system for new associations.
- Preparation of Notice of Commencements.
- Quarterly surveys from the General Manager.
- Setting up new contact information.
- Weekly on-site visits with a board representative.
- Monthly on-site visits with vendors.
- Administrative Assistant to process daily operations.

III. WEBSITE SERVICES (OPTIONAL): Lighthouse offers website development for your Association. Our websites are integrated with our financial software, making Association financial tracking simple for residents and board members alike. Our websites have a private and separate "Board-Only" section, making communications seamless wherever you may be located. Announcements, E-blasts, Social calendars, Association documents, meeting minutes...etc., are easily accessed in one convenient location, so communications with membership is continually updated. **We will provide the Association with a customized website at a monthly fee of \$150, and we will waive the \$1,000 setup fee.**

IV. HUMAN RESOURCES SUPPORT: Lighthouse provides a full-service Human Resources department which includes but is not limited to: Full background checks and drug testing for employees, job descriptions, employee handbook, policies and procedures manual, online tracking system for hourly employees, pool of applicants screened for replacement purposes, HR advice and recommendations that protect your Association. Our hands-on training approach is ongoing, ensuring the highest level of performance from your employees. Through webinars, local support and an Annual Staff Meeting, Lighthouse has established a system of checks-and-balances that work to achieve the highest level of success.

V. MANAGEMENT FEE: **Our fee to manage your Association would be TBD based on scope of services required.**

VI. ON-SITE STAFFING: Your on-site staff would become our employees. **We would provide full Human Resource services for 10% of gross wages.** All direct payroll costs such as FICA match, FUTA/SUI tax, workers compensation insurance, and ADP processing fees are passed through to the Association at prevailing rates. I have attached a Payroll Spreadsheet, so you can analyze the full cost of management with Lighthouse involved.

At Lighthouse Property Management, our full-service team management plan is a time-tested operation, which will lead your Association on the road to success. Our thirty (30) years of experience puts a wealth of knowledge behind our proactive approach to management.

Regards,

Jeff McDuffie

President