



200 River Landing  
Phase I Condominium Association  
Daniel Island, SC 29492

## **200 River Landing Drive Phase 1 Letterhead**

**Re: 2023 Operating Budget**

**Dear Owners:**

As we all know these are challenging economic times we are currently facing. The inflation rate that came out on Friday, December 2, 2022, was 7.7% according to the US Bureau of Labor Statistics. Even though the inflation rate has come down from the high of 8.5% earlier this year, we have a long way to go to get it back to the Federal Reserve's acceptable level of 2.0%.

In addition, the Friday's Jobs Report showed the [economy added 263,000 jobs in November](#), much more than the 200,000 expected by economists, according to Dow Jones. Payrolls were also revised higher to 284,000 in October. One of the major problems is the fact that wages increased by 0.6%, [double what was expected by economists](#).

What is obvious from these statistics is that the impact of inflation on the cost of everyday goods and services is going to be with us for a lot longer than originally expected. Managing our household budgets is more difficult when we see continuously higher prices for fuel, groceries, utility bills, insurance, housing costs, clothing, interest rates, etc. The same can be said for all our major vendors / suppliers that provide various services to the 200 River Landing Drive Community.

Due rising costs, the majority of our vendors increased their contract prices for 2023 by 5% to 8%. All small businesses are dealing with the same cost increases we have been experiencing personally for the past year or more.

In addition to the vendor / supplier price increases mentioned above, our insurance broker has advised us to prepare for a 35% - 40% increase in our Property & Casualty Insurance package. He believes that given the insurance market and the impact of Hurricane Ian, we can expect a significant rise in premium. We have reached out to other brokers in the Charleston market that write similar policies and received the same message. In addition, we were advised that the number of carriers providing coastal insurance coverage has seriously declined. In addition to the Mt. Pleasant broker, we have worked with over the past few years, we have reached out to an additional P&C broker with USI based out of Charlotte, NC. With USI ranking as one of the top 10 brokers in the US, we are hopeful we can get a better renewal than the one being quoted by our current broker.

As always, you have our commitment that your BOD will be good stewards of the Community's finances and do our best to manage and reduce the Regimes operating costs wherever possible. We feel at this time that we have done our best to reduce spending where possible.

Enclosed please find a copy of the 2023 Budget for the 200 River Landing Drive Phase 1 Community.

For the coming year, the Budget calls for a 6% increase in Regime Fees. Please keep in mind, that this is the first increase in Regime Fees in the last 3 years.

Sincerely,

Sam Gilner  
Board of Directors  
200 River Landing Drive Phase 1

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Please contact Lisa Landy at Property Management Services if you have any questions or comments about the 2023 Budget.

The new Regime Fee for next year will be based on the square footage of the property.

Please remember that our Annual Meeting is scheduled for Wed, December 14<sup>th</sup> at 6:30 pm at the Daniel Island Elementary School.

Thank you for your continued support and cooperation.