

2020 Reserve Study Update

**Crescent Beach Condominium Association, Inc.
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Marco Island, FL 34145**



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October 27, 2019

Crescent Beach Condominium Association, Inc.
100 N. Collier Boulevard
Marco Island, FL 34145

Dear Board of Directors:

We are pleased to present you with this 2020 Reserve Study Report. The intent of this study is to anticipate future capital expenditures and provide a cash reserves funding plan to cover future repair or replacement expenses of the common property.

This report identifies the major assets maintained by the association. We have provided estimates on expected life, scheduled replacement date, and future replacement cost. This information was selected from a combination of market standards, cost database, historical information, and experience with similar properties.

Financial Summary

Actual 2019 Reserve Contribution:	\$305,095
Proposed 2020 Reserve Contribution, Straight-Line, Full Funding:	\$4,563,407
Proposed 2020 Reserve Contribution, 30-Year Cash Flow, Pooled:	\$1,976,327

This reserve study should serve as a useful tool for the association to determine the appropriate cash reserves necessary for adequate reserve funding over the long term. Actual reserves set aside are solely at the discretion of the association.

Thank you for allowing LCAM Resources the opportunity to serve you.

Respectfully submitted by:

LCAM Resources

J. Anthony Guadalupe, CCI
Managing Director



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Part 1: Introduction

This section contains general information about your reserve study and how to use this report.

INTRODUCTION

What is a Reserve Study?

A reserve study is a long-range budget planning tool for major repair and replacement of association property. This report will help you to anticipate and prepare for major expenditures by estimating when these events will occur and how much it will cost.

Your reserve study can be used to figure the amount to charge each owner for their share of reserves each year, and accurately disclose the status of your reserves.

This report is a “living document” that can evolve over time through updates, and be expanded as needed, to continue to serve your association for years to come.

Annual Budgets

The annual budget for most associations is actually comprised of two separate budgets added together:

- An “*operating budget*” that consists of annual *operating expenses* such as utilities, insurance, landscaping, management fees, etc. Capital expenses are usually not included in the operating budget unless they’re small expense items.
- A “*reserve budget*” consisting of capital replacement expenses such as roofs, streets, swimming pools, tennis courts, etc.

Reserve Expenses

These are major expenses that occur other than annually. Reserve expenses are reasonably predictable both in terms of frequency and cost. Common examples of reserve expenses include:

- Painting
- Paving
- Roofing
- Swimming Pools
- Mechanical Equipment

Examples of excluded items are electrical wiring and plumbing. These are deemed to have an estimated useful life equal to or exceeding the estimated useful life of the facility itself. Also excluded are insignificant expenses that may be covered either by an operating or reserve contingency, or otherwise in a general maintenance fund. Also excluded are expenses that are caused by acts of nature or accidents. These should be covered by insurance instead of reserves because they are unpredictable occurrences.

INTRODUCTION

Levels of Service

The following three categories describe the various types of Reserve Studies, from exhaustive to minimal.

I. FULL

A Reserve Study in which the following five Reserve Study tasks are performed:

- Component Inventory
- Condition Assessment (based upon on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

II. UPDATE WITH ON-SITE INSPECTION

A Reserve Study update in which the following five Reserve Study tasks are performed:

- Component Inventory (verification only, not quantification)
- Condition Assessment (based on on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

III. UPDATE WITHOUT SITE INSPECTION

A Reserve Study update with no on-site visual observations in which the following three Reserve Study tasks are performed:

- Life and Valuation Estimates
- Fund Status
- Funding Plan

INTRODUCTION

REPORT PROCESS

This report is a two-part study that examines both the physical and the financial.

Physical Analysis – During the physical analysis, we develop an inventory of all major assets of the association which require long-term replacement or repair. The assets are referred to as components. Typical components include roofing, painting, roads, swimming pools, tennis courts, and so on.

Components are selected based on a 4-part test:

- ✓ **Common area**
- ✓ **Limited useful life**
- ✓ **Predictable remaining life**
- ✓ **Major cost**

The condition of each reserve component is then evaluated in order to estimate remaining life and replacement cost.

Financial Analysis – The financial analysis examines the client’s level of reserve funding to determine the appropriate reserve contribution rate in the future. This recommendation is known as the “funding plan”.

Funding Plan

The funding plan consists of annual reserve contributions to offset accrued depreciation. Simply put, this means that funds are added to reserves each year to pay for the ongoing “wear and tear” of components.

Straight-Line Vs. Pooling

Straight-Line Reserve Schedule (Component Method) – The straight-line method provides for independent funding of each component, calculated separately to determine the annual reserve contribution required. This is a 1-year snapshot. Interest and inflation are not included due to the nature of straight-line formulas.

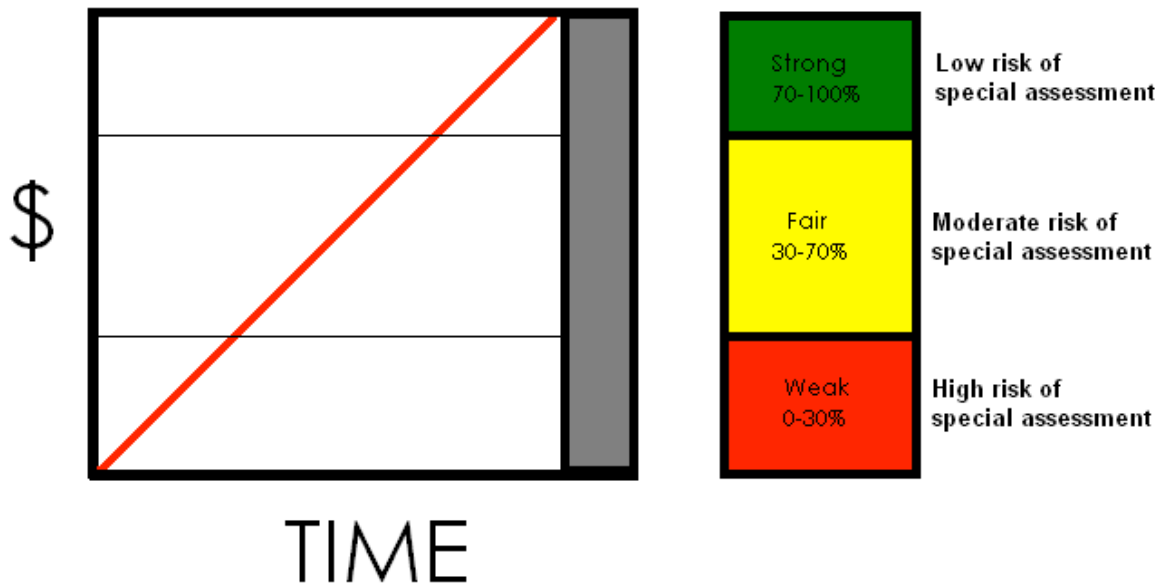
30-Year Cash Flow / Pooling Method – This alternate funding plan utilizes a cash flow method with “pooled reserves,” in which all reserve funds are combined into a single general account, or “pool” of funds. A 30-year cash flow analysis is then performed to determine the annual reserve contribution required to 1) pay for all future anticipated reserve expenditures, and 2) maintain a positive cash balance over time. All cost and life expectancy estimates for each component remain the same as in the straight-line method. However, unlike the straight-line method, this is a 30-year approach considers the effects of interest and inflation over time.

INTRODUCTION

Reserve Fund Status

The strength of your reserve funding is measured as percent funded:

Understanding Percent Funded



If reserves are in the 0-30% funding range, the fund is considered relatively weak and members are in a higher risk to expect special assessments. 30-70% funded is a fair position with moderate risk of special assessment. Associations in the 70%+ funding range are considered financially strong and special assessments are rare. (If the reserve account is over-funded, steps can be taken to bring it back into balance.)

INTRODUCTION

DEFINITIONS

Annual Assessment Increase - This represents the percentage rate at which the client will increase its assessment to reserves at the end of each year.

Assessment- the amount of money that should be allocated to reserves.

Budget Year Beginning/Ending - The budget year for which the report is prepared. For clients with fiscal years ending December 31st, the monthly contribution figures indicated are for the 12-month period beginning 1/1 and ending 12/31.

Capital Expenditure - an expenditure of funds for the purchase of an asset whose useful life is greater than one year in length; the replacement of an asset whose useful life is greater than one year in length; or the addition to an asset which extends the useful life of the previously existing asset for a period greater than one year in length.

Cash Flow Method: A method of developing a Reserve Funding Plan where annual reserve contributions are designed to offset the variable annual expenditures from the reserve fund to maintain a positive cash balance.

Component: The individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components must meet the following criteria: 1) be the responsibility of the association, 2) have a *limited* expected life, 3) have a *predictable* life expectancy, 4) be above a minimum cost (for example, \$10,000 and above).

Component Inventory - The task of selecting and qualifying reserve components.

Component Method: A method of developing a Reserve Funding Plan where the total contribution is based on the sum of contributions for individual components.

Condition Assessment: The task of evaluating the current condition of the component based on observed or reported characteristics.

Contingency - Funds retained for the purpose of covering unexpected costs.

Current Replacement Cost - The estimated replacement cost effective at the beginning of the fiscal year for which the report is being prepared. See “Replacement Cost.”

INTRODUCTION

Deferred Maintenance - the practice of postponing maintenance activities in order to save costs, meet budget funding levels, or realign available budget monies. The failure to perform needed repairs could lead to asset deterioration and ultimately asset impairment.

Expected Life / Estimated Useful Life - The estimated service life of a component if properly constructed / installed. Based upon industry standards, manufacturer specifications, visual inspection, location, usage, client standards and prior history. All of these factors are taken into consideration when tailoring the estimated useful life of a particular component.

Future Replacement Cost - The estimated cost to repair or replace the asset at the end of its estimated useful life based upon the current replacement cost and inflation.

Inflation - This figure is used to approximate the future cost to repair or replace components in the report.

Projected Reserve Balance - The anticipated reserve balance on the first day of the fiscal year for which this report has been prepared. This is based upon information provided and not audited.

Remaining Useful Life: The estimated time, in years, that a reserve component can be expected to continue to serve its intended function.

Replacement Cost: The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition.

Replacement Year - The year that the asset is scheduled to be replaced.

Reserve Balance: Actual or projected funds intended to defray the future repair or replacement of major components which the association is obligated to maintain.

Special Assessment: An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by governing documents or local statutes.

Straight Line Method: For each component, the annual reserve contribution equals the unfunded balance divided by remaining life, respectively.

Unfunded Balance: Current cost estimate minus year end balance.

Weighted Proportional Allocation: The total estimated reserve balance is allocated among each reserve category according to the “weight” of the category as a percentage of the whole. Recommended for re-distribution of restricted funds to bring balance across reserves (in the straight line method) when components are overfunded, unfunded, or deleted.

INTRODUCTION

Terms & Conditions

The reserve analysis contained in this report is qualified by certain assumptions, limiting conditions, and disclosures as set forth in this section:

Scope: The reserve study will be a reflection of information provided to the consultant and assembled for the association's use, not for the purpose of performing an audit, quality/forensic analyses, or background checks of historical records.

Reliance on Client Data: Information provided by the official representative of the association regarding financial, physical, quantity, or historical issues will be deemed reliable by the consultant.

Physical Analysis: All on-site observations were performed using non-destructive testing, representative sampling, and a combination of field measurements and drawing take-offs. For safety reasons, it is our procedure to observe pitched roofs from the ground; flat roofs are examined only when safe access is available.

Reserve Balance: The actual or projected total presented in the Reserve study is based upon information provided and was not audited.

Reserve Projects: Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection.

Sources: Cost estimates and useful life information are based on our experience with actual properties and a combination of association records, contractor interviews, and industry pricing and scheduling manuals. Opinions on the remaining useful life of the components contained in this report do not represent a guarantee or warranty of the components and should not be considered as such.

General: The individual(s) responsible for this reserve study preparation or oversight has no other involvements with the client association that could result in actual or perceived conflicts of interest. The conclusions and estimates presented in this report must be considered opinions and not facts. We reserve the right to modify this report, including conclusions. This reserve study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described. The authors of this report shall not be required to give testimony or appear in court or at any administrative proceeding relating to this report. The liability of the authors of this report, Liberty Capital Asset Management Resources, LLC dba LCAM Resources and any other employees/contractors of LCAM Resources is limited to the fee collected for preparation of this report. Acceptance of, and/or use of, this report constitutes acceptance of the above conditions.

INTRODUCTION

Company Profile

LCAM Resources founded from a dedication to raise the bar in the community association industry. Our goal is to provide unprecedented superior service in capital reserve planning and insurance valuation. We build close professional relationships with property managers, board members, agents, and owners to act as a team with one common goal: to protect the long-term financial health of their organization. We are Business Partner members of the Community Associations Institute (CAI), a national organization committed to providing education and resources to community associations and the companies who serve them. Our professional staff has years of extensive experience with all property types throughout Florida and the United States.

Annual Update Service

The best way to keep your reserve program on track is through regular updates. We can recast a new 30-year report using current replacement cost and financial information to keep your reserve program on track. This affordable service is available with or without site inspection, and for only a fraction of your initial cost. Contact us for details and we would be more than happy to speak to you about the options available.

Part 2: Photographs

Current photographs are not available for this reserve study update (without inspection).

Please refer to your previous LCAM Resources reserve study with on-site inspection to view component photos.

Part 3: Reserve Schedule

This section contains your straight line, fully funded reserve schedule.

Annual reserve contributions are determined by taking the unfunded balance of each component, divided by remaining life.

Calculations are based on straight line accounting formulas and do not include interest or inflation.

RESERVE SCHEDULE**Straight Line Reserve Schedule**

Beginning Balance: **\$874,755**
 Fully Funded Reserves: **\$5,438,162**
 Percent Fully Funded as of 1/1/2020: **16%**

Description	Cost Estimate	Expected Life	Replacement Year	Remaining Life	12/31/19 Balance*	Unfunded Balance	2020 Contribution
PAVING							
Brick Pavers, South Garage, Replace	\$8,400	30	2042	22	\$1,008	\$7,392	\$336
Paving, Asphalt Overlay	\$123,000	20	2027	7	\$14,759	\$108,241	\$15,463
Paving, Bomanite Reseal	\$32,800	5	2021	1	\$3,936	\$28,864	\$28,864
Seal Coat Blacktop areas	\$9,700	2	2021	1	\$1,164	\$8,536	\$8,536
Total	\$173,900				\$20,866	\$153,034	\$53,200
ROOFING							
Roofing, Mansard, Reroof	\$804,200	30	2021	1	\$96,495	\$707,705	\$707,705
Roofing, North Garage, Reroof	\$251,000	15	2021	1	\$30,117	\$220,883	\$220,883
Roofing, South Garage, Reroof	\$239,100	15	2021	1	\$28,689	\$210,411	\$210,411
Roofing, Tower, Replace	\$1,284,500	15	2021	1	\$154,126	\$1,130,374	\$1,130,374
Tiki Huts, Bicycle Storage, Re-thatch	\$5,100	4	2021	1	\$612	\$4,488	\$4,488
Tiki Huts, Pool, Re-thatch	\$2,100	8	2021	1	\$252	\$1,848	\$1,848
Total	\$2,586,000				\$310,291	\$2,275,709	\$2,275,709
PAINTING							
North & South Garage, Repaint & Repair	\$32,000	5	2021	1	\$3,840	\$28,160	\$28,160
Painting, Parking Lot Light Poles	\$3,500	5	2021	1	\$420	\$3,080	\$3,080
Painting, Exterior, Tower	\$239,300	7	2023	3	\$28,713	\$210,587	\$70,196
Painting, Interior Common Areas	\$52,600	7	2023	3	\$6,311	\$46,289	\$15,430
Re-paint Mansard/Portico Metal Roofing	\$21,200	7	2027	7	\$2,544	\$18,656	\$2,665
Stairwells & Railing, Repaint	\$23,000	14	2027	7	\$2,760	\$20,240	\$2,891
Total	\$371,600				\$44,588	\$327,012	\$122,422
INTERIOR REFURBISH							
Cardio Fitness Equipment, Replace	\$4,000	8	2020	1	\$480	\$3,520	\$3,520
Elliptical Fitness Equipment, Replace	\$5,400	8	2021	1	\$648	\$4,752	\$4,752
Kitchen Appliance Allowance	\$5,600	12	2024	4	\$672	\$4,928	\$1,232
Kitchen Stack, Cleanout	\$13,500	3	2020	1	\$1,620	\$11,880	\$11,880
Lobby/Breezeway/Fountains, Refurbish	\$300,000	10	2021	1	\$35,997	\$264,003	\$264,003
Mailboxes, Cluster, Replace	\$4,600	30	2048	28	\$552	\$4,048	\$145
Management Office, Refurbish	\$4,800	20	2027	7	\$576	\$4,224	\$603
Multi Gym, Replace	\$7,300	16	2028	8	\$876	\$6,424	\$803
Office Flooring, Carpet, Replace	\$4,800	8	2022	2	\$576	\$4,224	\$2,112
Windows & Doors, Replace	\$18,500	20	2033	13	\$2,220	\$16,280	\$1,252
Restrooms, Pool Renovate	\$10,800	24	2036	16	\$1,296	\$9,504	\$594
Social Room, Refurbish	\$73,000	22	2034	14	\$8,759	\$64,241	\$4,589
Treadmill, Replace	\$3,300	4	2021	1	\$396	\$2,904	\$2,904
Total	\$455,600				\$54,667	\$400,933	\$298,390

*The 12/31/19 balance amounts provided are based on a weighted proportional allocation of the estimated total ending balance.

RESERVE SCHEDULE

Straight Line Reserve Schedule

Beginning Balance: **\$874,755**
 Fully Funded Reserves: **\$5,438,162**
 Percent Fully Funded as of 1/1/2020: **16%**

Description	Cost Estimate	Expected Life	Replacement Year	Remaining Life	12/31/19 Balance*	Unfunded Balance	2020 Contribution
MECHANICAL EQUIPMENT							
AC Circulating Pumps, Replace	\$11,200	14	2026	6	\$1,344	\$9,856	\$1,643
AC Cooling Tower, Replace	\$274,500	20	2021	1	\$32,937	\$241,563	\$241,563
AC Cooling Tower, Repair Allowance	\$6,000	10	2020	1	\$720	\$5,280	\$5,280
AC Equipment, Elevator Room, Replace	\$2,200	9	2022	2	\$264	\$1,936	\$968
AC Equipment, Exercise Room, Replace	\$8,000	14	2021	1	\$960	\$7,040	\$7,040
AC Equipment, Fitness Room, Replace	\$8,000	14	2021	1	\$960	\$7,040	\$7,040
AC Equipment, Lobby, Replace	\$13,600	14	2021	1	\$1,632	\$11,968	\$11,968
AC Equipment, Maintenance Shop	\$1,500	9	2021	1	\$180	\$1,320	\$1,320
AC Equipment, Office, Replace	\$7,800	14	2032	12	\$936	\$6,864	\$572
AC Equipment, Pump Room, Replace	\$4,500	14	2020	1	\$540	\$3,960	\$3,960
AC Equipment, Social Room, Replace	\$6,800	14	2021	1	\$816	\$5,984	\$5,984
Alarm Panel and Devices, Replace	\$24,300	20	2031	11	\$2,916	\$21,384	\$1,944
Backflow, Repair Allowance	\$133,000	10	2021	1	\$15,959	\$117,041	\$117,041
Boiler, Replace	\$34,000	20	2031	11	\$4,080	\$29,920	\$2,720
Domestic Water Pump, Replace	\$20,600	20	2028	8	\$2,472	\$18,128	\$2,266
Elevator Cabs, Refurbish	\$13,200	20	2028	8	\$1,584	\$11,616	\$1,452
Elevator Controls, Modernize	\$205,000	28	2027	7	\$24,598	\$180,402	\$25,772
Elevator Doors, Replace 50%	\$109,000	28	2046	26	\$13,079	\$95,921	\$3,689
Emergency Generator, Replace	\$103,500	36	2054	34	\$12,419	\$91,081	\$2,679
Expansion Tanks, Replace	\$4,600	10	2022	2	\$552	\$4,048	\$2,024
Fire Alarm Control Panel, Replace	\$39,900	10	2028	8	\$4,788	\$35,112	\$4,389
Fire Detection System, Upgrade	\$123,900	20	2021	1	\$14,867	\$109,033	\$109,033
Fire Hydrant, Replace 2 of 4	\$9,500	25	2037	17	\$1,140	\$8,360	\$492
Fire Hydrants, Replace 2 of 4	\$9,500	25	2041	21	\$1,140	\$8,360	\$398
Fire Pump, Replace	\$60,800	36	2025	5	\$7,295	\$53,505	\$10,701
Fire Speaker System, Upgrade	\$53,000	20	2033	13	\$6,359	\$46,641	\$3,588
Fire Sprinkler, Replacement Allowance	\$7,200	10	2021	1	\$864	\$6,336	\$6,336
Heat Exchanger, Replace	\$36,400	40	2029	9	\$4,368	\$32,032	\$3,559
Key Fobs, Replace	\$9,700	8	2026	6	\$1,164	\$8,536	\$1,423
Pool & Spa Heaters, Replace	\$5,200	10	2021	1	\$624	\$4,576	\$4,576
Pool & Spa Equipment, Allowance	\$6,000	5	2020	1	\$720	\$5,280	\$5,280
Recycling Containers, Replace	\$9,000	4	2020	1	\$1,080	\$7,920	\$7,920
Recycling System, Replace	\$85,100	20	2027	7	\$10,211	\$74,889	\$10,698
Tile Machine, Replace	\$8,400	12	2027	7	\$1,008	\$7,392	\$1,056
Variable Frequency Drive, Replace	\$10,100	14	2026	6	\$1,212	\$8,888	\$1,481
Ventilator Fans, North, Replace	\$3,200	18	2028	8	\$384	\$2,816	\$352
Total	\$1,468,200				\$176,168	\$1,292,032	\$618,209

BUILDING COMPONENTS

Cast Iron/Fire Pipes, Replace	\$50,000	27	2020	1	\$5,999	\$44,001	\$44,001
Drinking Fountains, Replace	\$2,500	14	2021	1	\$300	\$2,200	\$2,200
Front Entry Door Enterphone, Replace	\$4,600	14	2029	9	\$552	\$4,048	\$450
Front Entry Doors and Jamb	\$19,500	24	2034	14	\$2,340	\$17,160	\$1,226
Front Entry Shrubs	\$36,900	20	2032	12	\$4,428	\$32,472	\$2,706
Lanai Screen Repairs w/ Swingstage	\$5,000	24	2020	1	\$600	\$4,400	\$4,400
Light Fixtures, Replace	\$39,800	26	2021	1	\$4,776	\$35,024	\$35,024
Loading Dock	\$15,300	8	2020	1	\$1,836	\$13,464	\$13,464
Re-Screen Allowance	\$5,100	5	2021	1	\$612	\$4,488	\$4,488
Roll-Up Doors, Replace	\$7,700	20	2027	7	\$924	\$6,776	\$968
Screened Balconies & Railing, Replace	\$214,400	9	2023	3	\$25,726	\$188,674	\$62,891
Security Cameras & Equipment, Replace	\$4,900	8	2021	1	\$588	\$4,312	\$4,312
Tile Flooring, Replace	\$512,500	24	2021	1	\$61,494	\$451,006	\$451,006
Trash Chute Doors, Replace	\$17,100	20	2027	7	\$2,052	\$15,048	\$2,150
Trash Containers, Replace	\$3,900	10	2022	2	\$468	\$3,432	\$1,716
Total	\$939,200				\$112,694	\$826,506	\$631,002

RESERVE SCHEDULE**Straight Line Reserve Schedule**

Beginning Balance:	\$874,755
Fully Funded Reserves:	\$5,438,162
Percent Fully Funded as of 1/1/2020:	16%

Description	Cost Estimate	Expected Life	Replacement Year	Remaining Life	12/31/19 Balance*	Unfunded Balance	2020 Contribution
GROUNDS COMPONENTS							
BBQ Grills (2), Replace	\$2,800	8	2021	1	\$336	\$2,464	\$2,464
Beach Deck & Railing, Replace	\$258,300	15	2030	10	\$30,993	\$227,307	\$22,731
Beach Deck Walkover: Dream Deck	\$69,000	20	2025	5	\$8,279	\$60,721	\$12,144
Beachside Gates, Replace	\$3,400	7	2025	5	\$408	\$2,992	\$598
Canopy Fabric, Replace	\$31,000	7	2020	1	\$3,720	\$27,280	\$27,280
Canopy Frames, Repair	\$4,000	21	2020	1	\$480	\$3,520	\$3,520
Dunewalk, Replace Decking & Rails	\$40,300	20	2035	15	\$4,836	\$35,464	\$2,364
Fencing, Chain Link, Replace	\$13,500	22	2022	2	\$1,620	\$11,880	\$5,940
Fencing, Pool, Replace	\$9,300	15	2033	13	\$1,116	\$8,184	\$630
Flag Pole, Replace	\$2,700	30	2030	10	\$324	\$2,376	\$238
Golf Cart, Replace	\$4,300	8	2021	1	\$516	\$3,784	\$3,784
Ice Machine, Replace	\$4,200	15	2030	10	\$504	\$3,696	\$370
Kneewall Repairs	\$5,000	20	2020	1	\$600	\$4,400	\$4,400
Landscape Renovation	\$50,000	15	2020	1	\$5,999	\$44,001	\$44,001
Light Poles, Replace	\$43,900	30	2030	10	\$5,268	\$38,632	\$3,863
Lobby Fountains, Replace Motors	\$3,900	8	2024	4	\$468	\$3,432	\$858
Pool & Spa, Resurface	\$18,500	10	2028	8	\$2,220	\$16,280	\$2,035
Pool & Spa, Retile	\$3,000	20	2026	6	\$360	\$2,640	\$440
Pool Deck Pavers, Replace	\$62,800	20	2021	1	\$7,535	\$55,265	\$55,265
Pool Furniture, Replace	\$5,000	8	2020	1	\$600	\$4,400	\$4,400
Pool House Slab Repairs	\$15,100	30	2045	25	\$1,812	\$13,288	\$532
Railing, Aluminum, Replace	\$9,900	28	2028	8	\$1,188	\$8,712	\$1,089
Railing, Sun Deck, Replace	\$4,700	20	2021	1	\$564	\$4,136	\$4,136
Tennis/Pickle Court, Resurface	\$8,200	5	2022	2	\$984	\$7,216	\$3,608
Underground Piping, Repairs	\$60,000	5	2024	4	\$7,199	\$52,801	\$13,200
Total	\$732,800				\$87,928	\$644,872	\$219,889
MISC							
Annual Reserve Study	\$1,000	1	2020	1	\$120	\$880	\$880
Insurance Deductible/Uninsured Casualty	\$200,000	10	2027	7	\$23,998	\$176,002	\$25,143
Irma Repairs	\$362,000	30	2020	1	\$43,436	\$318,564	\$318,564
Total	\$563,000				\$67,554	\$495,446	\$344,587
Grand Total	\$7,290,300				\$874,755	\$6,415,545	\$4,563,407

*The 12/31/19 balance amounts provided are based on a weighted proportional allocation of the estimated total ending balance.

Part 4: Cash Flow

This alternate funding plan utilizes a cash flow method with “pooled reserves,” in which all reserves are combined into a single general fund.

A 30-year cash flow analysis is then performed to determine the annual reserve contribution required to pay for all anticipated reserve expenditures and still maintain an adequate cash balance over time.

The cost and expected life for all components is the same as in the previous section. However, this analysis takes into account interest and inflation.

30-YEAR CASH FLOW PLAN

Number of Units: 117 Interest Rate: 1%
 Beginning Balance: \$874,755 Inflation Rate: 2%

No.	Year	Beginning Balance	Annual Assessment Increase	Monthly Contribution (Per Unit)	Total Annual Contribution (All Units)	Planned Special Assessment	Annual Expenditures	Interest Rate	Earned Interest	Ending Balance
1	2020	\$874,755	-	\$1,407.64	\$1,976,327	\$0	\$571,300	1.0%	\$22,798	\$2,302,579
2	2021	\$2,302,579	5.0%	\$1,478.02	\$2,075,143	\$0	\$4,278,696	1.0%	\$990	\$100,017
3	2022	\$100,017	5.0%	\$1,551.92	\$2,178,900	\$0	\$39,728	1.0%	\$22,392	\$2,261,580
4	2023	\$2,261,580	-70.0%	\$465.58	\$653,670	\$0	\$562,330	1.0%	\$23,529	\$2,376,450
5	2024	\$2,376,450	0.0%	\$465.58	\$653,670	\$0	\$85,860	1.0%	\$29,443	\$2,973,702
6	2025	\$2,973,702	0.0%	\$465.58	\$653,670	\$0	\$174,130	1.0%	\$34,532	\$3,487,775
7	2026	\$3,487,775	0.0%	\$465.58	\$653,670	\$0	\$136,528	1.0%	\$40,049	\$4,044,966
8	2027	\$4,044,966	0.0%	\$465.58	\$653,670	\$0	\$849,528	1.0%	\$38,491	\$3,887,599
9	2028	\$3,887,599	0.0%	\$465.58	\$653,670	\$0	\$170,404	1.0%	\$43,709	\$4,414,574
10	2029	\$4,414,574	0.0%	\$465.58	\$653,670	\$0	\$180,658	1.0%	\$48,876	\$4,936,461
11	2030	\$4,936,461	0.0%	\$465.58	\$653,670	\$0	\$744,360	1.0%	\$48,458	\$4,894,229
12	2031	\$4,894,229	0.0%	\$465.58	\$653,670	\$0	\$719,800	1.0%	\$48,281	\$4,876,380
13	2032	\$4,876,380	0.0%	\$465.58	\$653,670	\$0	\$375,348	1.0%	\$51,547	\$5,206,249
14	2033	\$5,206,249	0.0%	\$465.58	\$653,670	\$0	\$125,874	1.0%	\$57,340	\$5,791,386
15	2034	\$5,791,386	0.0%	\$465.58	\$653,670	\$0	\$281,472	1.0%	\$61,636	\$6,225,220
16	2035	\$6,225,220	0.0%	\$465.58	\$653,670	\$0	\$207,220	1.0%	\$66,717	\$6,738,386
17	2036	\$6,738,386	0.0%	\$465.58	\$653,670	\$0	\$2,506,284	1.0%	\$48,858	\$4,934,630
18	2037	\$4,934,630	0.0%	\$465.58	\$653,670	\$0	\$734,588	1.0%	\$48,537	\$4,902,249
19	2038	\$4,902,249	0.0%	\$465.58	\$653,670	\$0	\$105,672	1.0%	\$54,502	\$5,504,750
20	2039	\$5,504,750	0.0%	\$465.58	\$653,670	\$0	\$115,920	1.0%	\$60,425	\$6,102,925
21	2040	\$6,102,925	0.0%	\$465.58	\$653,670	\$0	\$76,160	1.0%	\$66,804	\$6,747,239
22	2041	\$6,747,239	0.0%	\$465.58	\$653,670	\$0	\$1,874,968	1.0%	\$55,259	\$5,581,200
23	2042	\$5,581,200	0.0%	\$465.58	\$653,670	\$0	\$51,552	1.0%	\$61,833	\$6,245,152
24	2043	\$6,245,152	0.0%	\$465.58	\$653,670	\$0	\$22,338	1.0%	\$68,765	\$6,945,248
25	2044	\$6,945,248	0.0%	\$465.58	\$653,670	\$0	\$607,096	1.0%	\$69,918	\$7,061,741
26	2045	\$7,061,741	0.0%	\$465.58	\$653,670	\$0	\$1,355,550	1.0%	\$63,599	\$6,423,459
27	2046	\$6,423,459	0.0%	\$465.58	\$653,670	\$0	\$312,512	1.0%	\$67,646	\$6,832,263
28	2047	\$6,832,263	0.0%	\$465.58	\$653,670	\$0	\$862,246	1.0%	\$66,237	\$6,689,924
29	2048	\$6,689,924	0.0%	\$465.58	\$653,670	\$0	\$286,728	1.0%	\$70,569	\$7,127,435
30	2049	\$7,127,435	0.0%	\$465.58	\$653,670	\$0	\$189,916	1.0%	\$75,912	\$7,667,101

Year-By-Year Expenditures

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2020	Current Cost	Future Cost
Cardio Fitness Equipment, Replace		\$4,000	\$4,000
Kitchen Stack, Cleanout		\$13,500	\$13,500
AC Cooling Tower, Repair Allowance		\$6,000	\$6,000
AC Equipment, Pump Room, Replace		\$4,500	\$4,500
Pool & Spa Equipment, Allowance		\$6,000	\$6,000
Recycling Containers, Replace		\$9,000	\$9,000
Cast Iron/Fire Pipes, Replace		\$50,000	\$50,000
Lanai Screen Repairs w/ Swingstage		\$5,000	\$5,000
Canopy Fabric, Replace		\$31,000	\$31,000
Canopy Frames, Repair		\$4,000	\$4,000
Kneewall Repairs		\$5,000	\$5,000
Landscape Renovation		\$50,000	\$50,000
Pool Furniture, Replace		\$5,000	\$5,000
Annual Reserve Study		\$1,000	\$1,000
Irma Repairs		\$362,000	\$362,000
Loading Dock		\$15,300	\$15,300
Total Expenditures			<u>\$571,300</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2021	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,020
Paving, Bomanite Reseal		\$32,800	\$33,456
Seal Coat Blacktop areas		\$9,700	\$9,894
Roofing, Mansard, Reroof		\$804,200	\$820,284
Roofing, North Garage, Reroof		\$251,000	\$256,020
Roofing, South Garage, Reroof		\$239,100	\$243,882
Roofing, Tower, Replace		\$1,284,500	\$1,310,190
Tiki Huts, Bicycle Storage, Re-thatch		\$5,100	\$5,202
Tiki Huts, Pool, Re-thatch		\$2,100	\$2,142
North & South Garage, Repaint & Repair		\$32,000	\$32,640
Painting, Parking Lot Light Poles		\$3,500	\$3,570
Elliptical Fitness Equipment, Replace		\$5,400	\$5,508
Lobby/Breezeway/Fountains, Refurbish		\$300,000	\$306,000
Treadmill, Replace		\$3,300	\$3,366
AC Cooling Tower, Replace		\$274,500	\$279,990
AC Equipment, Exercise Room, Replace		\$8,000	\$8,160
AC Equipment, Fitness Room, Replace		\$8,000	\$8,160
AC Equipment, Lobby, Replace		\$13,600	\$13,872
AC Equipment, Maintenance Shop		\$1,500	\$1,530
AC Equipment, Social Room, Replace		\$6,800	\$6,936
Backflow, Repair Allowance		\$133,000	\$135,660
Fire Detection System, Upgrade		\$123,900	\$126,378
Fire Sprinkler, Replacement Allowance		\$7,200	\$7,344
Pool & Spa Heaters, Replace		\$5,200	\$5,304
Drinking Fountains, Replace		\$2,500	\$2,550
Light Fixtures, Replace		\$39,800	\$40,596
Re-Screen Allowance		\$5,100	\$5,202
Security Cameras & Equipment, Replace		\$4,900	\$4,998
Tile Flooring, Replace		\$512,500	\$522,750
BBQ Grills (2), Replace		\$2,800	\$2,856
Golf Cart, Replace		\$4,300	\$4,386
Pool Deck Pavers, Replace		\$62,800	\$64,056
Railing, Sun Deck, Replace		\$4,700	\$4,794
Total Expenditures			<u>\$4,278,696</u>

Replacement Year	2022	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,040
Office Flooring, Carpet, Replace		\$4,800	\$4,992
AC Equipment, Elevator Room, Replace		\$2,200	\$2,288
Expansion Tanks, Replace		\$4,600	\$4,784
Trash Containers, Replace		\$3,900	\$4,056
Fencing, Chain Link, Replace		\$13,500	\$14,040
Tennis/Pickle Court, Resurface		\$8,200	\$8,528
Total Expenditures			<u>\$39,728</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2023	Current Cost	Future Cost
Kitchen Stack, Cleanout		\$13,500	\$14,310
Annual Reserve Study		\$1,000	\$1,060
Seal Coat Blacktop areas		\$9,700	\$10,282
Painting, Exterior, Tower		\$239,300	\$253,658
Painting, Interior Common Areas		\$52,600	\$55,756
Screened Balconies & Railing, Replace		\$214,400	<u>\$227,264</u>
Total Expenditures			\$562,330
Replacement Year	2024	Current Cost	Future Cost
Recycling Containers, Replace		\$9,000	\$9,720
Annual Reserve Study		\$1,000	\$1,080
Kitchen Appliance Allowance		\$5,600	\$6,048
Underground Piping, Repairs		\$60,000	\$64,800
Lobby Fountains, Replace Motors		\$3,900	<u>\$4,212</u>
Total Expenditures			\$85,860
Replacement Year	2025	Current Cost	Future Cost
Pool & Spa Equipment, Allowance		\$6,000	\$6,600
Annual Reserve Study		\$1,000	\$1,100
Seal Coat Blacktop areas		\$9,700	\$10,670
Tiki Huts, Bicycle Storage, Re-thatch		\$5,100	\$5,610
Treadmill, Replace		\$3,300	\$3,630
Fire Pump, Replace		\$60,800	\$66,880
Beach Deck Walkover: Dream Deck		\$69,000	\$75,900
Beachside Gates, Replace		\$3,400	<u>\$3,740</u>
Total Expenditures			\$174,130
Replacement Year	2026	Current Cost	Future Cost
Kitchen Stack, Cleanout		\$13,500	\$15,120
Annual Reserve Study		\$1,000	\$1,120
Paving, Bomanite Reseal		\$32,800	\$36,736
North & South Garage, Repaint & Repair		\$32,000	\$35,840
Painting, Parking Lot Light Poles		\$3,500	\$3,920
Re-Screen Allowance		\$5,100	\$5,712
AC Circulating Pumps, Replace		\$11,200	\$12,544
Key Fobs, Replace		\$9,700	\$10,864
Variable Frequency Drive, Replace		\$10,100	\$11,312
Pool & Spa, Retile		\$3,000	<u>\$3,360</u>
Total Expenditures			\$136,528

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2027	Current Cost	Future Cost
Canopy Fabric, Replace		\$31,000	\$35,340
Annual Reserve Study		\$1,000	\$1,140
Seal Coat Blacktop areas		\$9,700	\$11,058
Tennis/Pickle Court, Resurface		\$8,200	\$9,348
Elevator Controls, Modernize		\$205,000	\$233,700
Paving, Asphalt Overlay		\$123,000	\$140,220
Re-paint Mansard/Portico Metal Roofing		\$21,200	\$24,168
Stairwells & Railing, Repaint		\$23,000	\$26,220
Management Office, Refurbish		\$4,800	\$5,472
Recycling System, Replace		\$85,100	\$97,014
Tile Machine, Replace		\$8,400	\$9,576
Roll-Up Doors, Replace		\$7,700	\$8,778
Trash Chute Doors, Replace		\$17,100	\$19,494
Insurance Deductible/Uninsured Casualty		\$200,000	\$228,000
Total Expenditures			<u>\$849,528</u>

Replacement Year	2028	Current Cost	Future Cost
Cardio Fitness Equipment, Replace		\$4,000	\$4,640
Recycling Containers, Replace		\$9,000	\$10,440
Pool Furniture, Replace		\$5,000	\$5,800
Annual Reserve Study		\$1,000	\$1,160
Ventilator Fans, North, Replace		\$3,200	\$3,712
Pool & Spa, Resurface		\$18,500	\$21,460
Railing, Aluminum, Replace		\$9,900	\$11,484
Multi Gym, Replace		\$7,300	\$8,468
Domestic Water Pump, Replace		\$20,600	\$23,896
Elevator Cabs, Refurbish		\$13,200	\$15,312
Fire Alarm Control Panel, Replace		\$39,900	\$46,284
Loading Dock		\$15,300	\$17,748
Total Expenditures			<u>\$170,404</u>

Replacement Year	2029	Current Cost	Future Cost
Kitchen Stack, Cleanout		\$13,500	\$15,930
Annual Reserve Study		\$1,000	\$1,180
Seal Coat Blacktop areas		\$9,700	\$11,446
Tiki Huts, Bicycle Storage, Re-thatch		\$5,100	\$6,018
Tiki Huts, Pool, Re-thatch		\$2,100	\$2,478
Elliptical Fitness Equipment, Replace		\$5,400	\$6,372
Treadmill, Replace		\$3,300	\$3,894
Security Cameras & Equipment, Replace		\$4,900	\$5,782
BBQ Grills (2), Replace		\$2,800	\$3,304
Golf Cart, Replace		\$4,300	\$5,074
Underground Piping, Repairs		\$60,000	\$70,800
Heat Exchanger, Replace		\$36,400	\$42,952
Front Entry Door Enterphone, Replace		\$4,600	\$5,428
Total Expenditures			<u>\$180,658</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2030	Current Cost	Future Cost
AC Cooling Tower, Repair Allowance		\$6,000	\$7,200
Pool & Spa Equipment, Allowance		\$6,000	\$7,200
Annual Reserve Study		\$1,000	\$1,200
AC Equipment, Maintenance Shop		\$1,500	\$1,800
Office Flooring, Carpet, Replace		\$4,800	\$5,760
Painting, Exterior, Tower		\$239,300	\$287,160
Painting, Interior Common Areas		\$52,600	\$63,120
Beach Deck & Railing, Replace		\$258,300	\$309,960
Flag Pole, Replace		\$2,700	\$3,240
Ice Machine, Replace		\$4,200	\$5,040
Light Poles, Replace		\$43,900	\$52,680
Total Expenditures			<u>\$744,360</u>
Replacement Year	2031	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,220
Paving, Bomanite Reseal		\$32,800	\$40,016
Seal Coat Blacktop areas		\$9,700	\$11,834
North & South Garage, Repaint & Repair		\$32,000	\$39,040
Painting, Parking Lot Light Poles		\$3,500	\$4,270
Lobby/Breezeway/Fountains, Refurbish		\$300,000	\$366,000
Backflow, Repair Allowance		\$133,000	\$162,260
Fire Sprinkler, Replacement Allowance		\$7,200	\$8,784
Pool & Spa Heaters, Replace		\$5,200	\$6,344
Re-Screen Allowance		\$5,100	\$6,222
AC Equipment, Elevator Room, Replace		\$2,200	\$2,684
Alarm Panel and Devices, Replace		\$24,300	\$29,646
Boiler, Replace		\$34,000	\$41,480
Total Expenditures			<u>\$719,800</u>
Replacement Year	2032	Current Cost	Future Cost
Kitchen Stack, Cleanout		\$13,500	\$16,740
Recycling Containers, Replace		\$9,000	\$11,160
Annual Reserve Study		\$1,000	\$1,240
Expansion Tanks, Replace		\$4,600	\$5,704
Trash Containers, Replace		\$3,900	\$4,836
Tennis/Pickle Court, Resurface		\$8,200	\$10,168
Screened Balconies & Railing, Replace		\$214,400	\$265,856
Beachside Gates, Replace		\$3,400	\$4,216
AC Equipment, Office, Replace		\$7,800	\$9,672
Front Entry Shrubs		\$36,900	\$45,756
Lobby Fountains, Replace Motors		\$3,900	\$4,836
Total Expenditures			<u>\$375,348</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2033	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,260
Seal Coat Blacktop areas		\$9,700	\$12,222
Tiki Huts, Bicycle Storage, Re-thatch		\$5,100	\$6,426
Treadmill, Replace		\$3,300	\$4,158
Windows & Doors, Replace		\$18,500	\$23,310
Fire Speaker System, Upgrade		\$53,000	\$66,780
Fencing, Pool, Replace		\$9,300	<u>\$11,718</u>
Total Expenditures			\$125,874
Replacement Year	2034	Current Cost	Future Cost
AC Equipment, Pump Room, Replace		\$4,500	\$5,760
Canopy Fabric, Replace		\$31,000	\$39,680
Annual Reserve Study		\$1,000	\$1,280
Underground Piping, Repairs		\$60,000	\$76,800
Key Fobs, Replace		\$9,700	\$12,416
Re-paint Mansard/Portico Metal Roofing		\$21,200	\$27,136
Social Room, Refurbish		\$73,000	\$93,440
Front Entry Doors and Jambs		\$19,500	<u>\$24,960</u>
Total Expenditures			\$281,472
Replacement Year	2035	Current Cost	Future Cost
Kitchen Stack, Cleanout		\$13,500	\$17,550
Pool & Spa Equipment, Allowance		\$6,000	\$7,800
Landscape Renovation		\$50,000	\$65,000
Annual Reserve Study		\$1,000	\$1,300
Seal Coat Blacktop areas		\$9,700	\$12,610
AC Equipment, Exercise Room, Replace		\$8,000	\$10,400
AC Equipment, Fitness Room, Replace		\$8,000	\$10,400
AC Equipment, Lobby, Replace		\$13,600	\$17,680
AC Equipment, Social Room, Replace		\$6,800	\$8,840
Drinking Fountains, Replace		\$2,500	\$3,250
Dunewalk, Replace Decking & Rails		\$40,300	<u>\$52,390</u>
Total Expenditures			\$207,220

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2036	Current Cost	Future Cost
Cardio Fitness Equipment, Replace		\$4,000	\$5,280
Recycling Containers, Replace		\$9,000	\$11,880
Pool Furniture, Replace		\$5,000	\$6,600
Annual Reserve Study		\$1,000	\$1,320
Paving, Bomanite Reseal		\$32,800	\$43,296
Roofing, North Garage, Reroof		\$251,000	\$331,320
Roofing, South Garage, Reroof		\$239,100	\$315,612
Roofing, Tower, Replace		\$1,284,500	\$1,695,540
North & South Garage, Repaint & Repair		\$32,000	\$42,240
Painting, Parking Lot Light Poles		\$3,500	\$4,620
Re-Screen Allowance		\$5,100	\$6,732
Kitchen Appliance Allowance		\$5,600	\$7,392
Restrooms, Pool Renovate		\$10,800	\$14,256
Loading Dock		\$15,300	\$20,196
Total Expenditures			<u>\$2,506,284</u>

Replacement Year	2037	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,340
Seal Coat Blacktop areas		\$9,700	\$12,998
Tiki Huts, Bicycle Storage, Re-thatch		\$5,100	\$6,834
Tiki Huts, Pool, Re-thatch		\$2,100	\$2,814
Elliptical Fitness Equipment, Replace		\$5,400	\$7,236
Treadmill, Replace		\$3,300	\$4,422
Security Cameras & Equipment, Replace		\$4,900	\$6,566
BBQ Grills (2), Replace		\$2,800	\$3,752
Golf Cart, Replace		\$4,300	\$5,762
Tennis/Pickle Court, Resurface		\$8,200	\$10,988
Painting, Exterior, Tower		\$239,300	\$320,662
Painting, Interior Common Areas		\$52,600	\$70,484
Insurance Deductible/Uninsured Casualty		\$200,000	\$268,000
Fire Hydrant, Replace 2 of 4		\$9,500	\$12,730
Total Expenditures			<u>\$734,588</u>

Replacement Year	2038	Current Cost	Future Cost
Kitchen Stack, Cleanout		\$13,500	\$18,360
Annual Reserve Study		\$1,000	\$1,360
Office Flooring, Carpet, Replace		\$4,800	\$6,528
Pool & Spa, Resurface		\$18,500	\$25,160
Fire Alarm Control Panel, Replace		\$39,900	\$54,264
Total Expenditures			<u>\$105,672</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2039	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,380
Seal Coat Blacktop areas		\$9,700	\$13,386
AC Equipment, Maintenance Shop		\$1,500	\$2,070
Underground Piping, Repairs		\$60,000	\$82,800
Beachside Gates, Replace		\$3,400	\$4,692
Tile Machine, Replace		\$8,400	\$11,592
Total Expenditures			<u>\$115,920</u>
Replacement Year	2040	Current Cost	Future Cost
AC Cooling Tower, Repair Allowance		\$6,000	\$8,400
Pool & Spa Equipment, Allowance		\$6,000	\$8,400
Recycling Containers, Replace		\$9,000	\$12,600
Kneewall Repairs		\$5,000	\$7,000
Annual Reserve Study		\$1,000	\$1,400
AC Equipment, Elevator Room, Replace		\$2,200	\$3,080
AC Circulating Pumps, Replace		\$11,200	\$15,680
Variable Frequency Drive, Replace		\$10,100	\$14,140
Lobby Fountains, Replace Motors		\$3,900	\$5,460
Total Expenditures			<u>\$76,160</u>
Replacement Year	2041	Current Cost	Future Cost
Kitchen Stack, Cleanout		\$13,500	\$19,170
Canopy Fabric, Replace		\$31,000	\$44,020
Canopy Frames, Repair		\$4,000	\$5,680
Annual Reserve Study		\$1,000	\$1,420
Paving, Bomanite Reseal		\$32,800	\$46,576
Seal Coat Blacktop areas		\$9,700	\$13,774
Tiki Huts, Bicycle Storage, Re-thatch		\$5,100	\$7,242
North & South Garage, Repaint & Repair		\$32,000	\$45,440
Painting, Parking Lot Light Poles		\$3,500	\$4,970
Lobby/Breezeway/Fountains, Refurbish		\$300,000	\$426,000
Treadmill, Replace		\$3,300	\$4,686
AC Cooling Tower, Replace		\$274,500	\$389,790
Backflow, Repair Allowance		\$133,000	\$188,860
Fire Detection System, Upgrade		\$123,900	\$175,938
Fire Sprinkler, Replacement Allowance		\$7,200	\$10,224
Pool & Spa Heaters, Replace		\$5,200	\$7,384
Re-Screen Allowance		\$5,100	\$7,242
Pool Deck Pavers, Replace		\$62,800	\$89,176
Railing, Sun Deck, Replace		\$4,700	\$6,674
Screened Balconies & Railing, Replace		\$214,400	\$304,448
Re-paint Mansard/Portico Metal Roofing		\$21,200	\$30,104
Stairwells & Railing, Repaint		\$23,000	\$32,660
Fire Hydrants, Replace 2 of 4		\$9,500	\$13,490
Total Expenditures			<u>\$1,874,968</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2042	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,440
Expansion Tanks, Replace		\$4,600	\$6,624
Trash Containers, Replace		\$3,900	\$5,616
Tennis/Pickle Court, Resurface		\$8,200	\$11,808
Key Fobs, Replace		\$9,700	\$13,968
Brick Pavers, South Garage, Replace		\$8,400	\$12,096
Total Expenditures			<u>\$51,552</u>
Replacement Year	2043	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,460
Seal Coat Blacktop areas		\$9,700	\$14,162
Front Entry Door Enterphone, Replace		\$4,600	\$6,716
Total Expenditures			<u>\$22,338</u>
Replacement Year	2044	Current Cost	Future Cost
Cardio Fitness Equipment, Replace		\$4,000	\$5,920
Kitchen Stack, Cleanout		\$13,500	\$19,980
Recycling Containers, Replace		\$9,000	\$13,320
Lanai Screen Repairs w/ Swingstage		\$5,000	\$7,400
Pool Furniture, Replace		\$5,000	\$7,400
Annual Reserve Study		\$1,000	\$1,480
Fencing, Chain Link, Replace		\$13,500	\$19,980
Painting, Exterior, Tower		\$239,300	\$354,164
Painting, Interior Common Areas		\$52,600	\$77,848
Underground Piping, Repairs		\$60,000	\$88,800
Multi Gym, Replace		\$7,300	\$10,804
Loading Dock		\$15,300	\$22,644
Total Expenditures			<u>\$607,096</u>
Replacement Year	2045	Current Cost	Future Cost
Pool & Spa Equipment, Allowance		\$6,000	\$9,000
Annual Reserve Study		\$1,000	\$1,500
Seal Coat Blacktop areas		\$9,700	\$14,550
Tiki Huts, Bicycle Storage, Re-thatch		\$5,100	\$7,650
Tiki Huts, Pool, Re-thatch		\$2,100	\$3,150
Elliptical Fitness Equipment, Replace		\$5,400	\$8,100
Treadmill, Replace		\$3,300	\$4,950
Security Cameras & Equipment, Replace		\$4,900	\$7,350
Tile Flooring, Replace		\$512,500	\$768,750
BBQ Grills (2), Replace		\$2,800	\$4,200
Golf Cart, Replace		\$4,300	\$6,450
Beach Deck Walkover: Dream Deck		\$69,000	\$103,500
Beach Deck & Railing, Replace		\$258,300	\$387,450
Ice Machine, Replace		\$4,200	\$6,300
Pool House Slab Repairs		\$15,100	\$22,650
Total Expenditures			<u>\$1,355,550</u>

YEAR-BY-YEAR EXPENDITURES

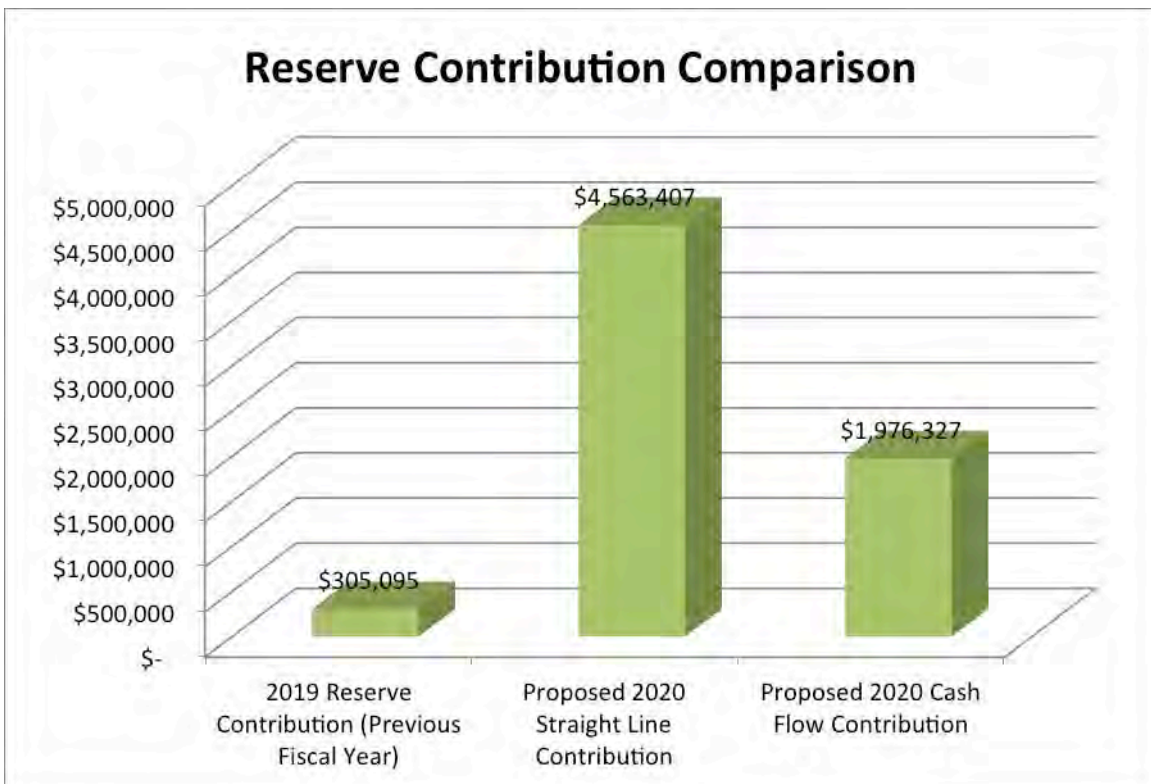
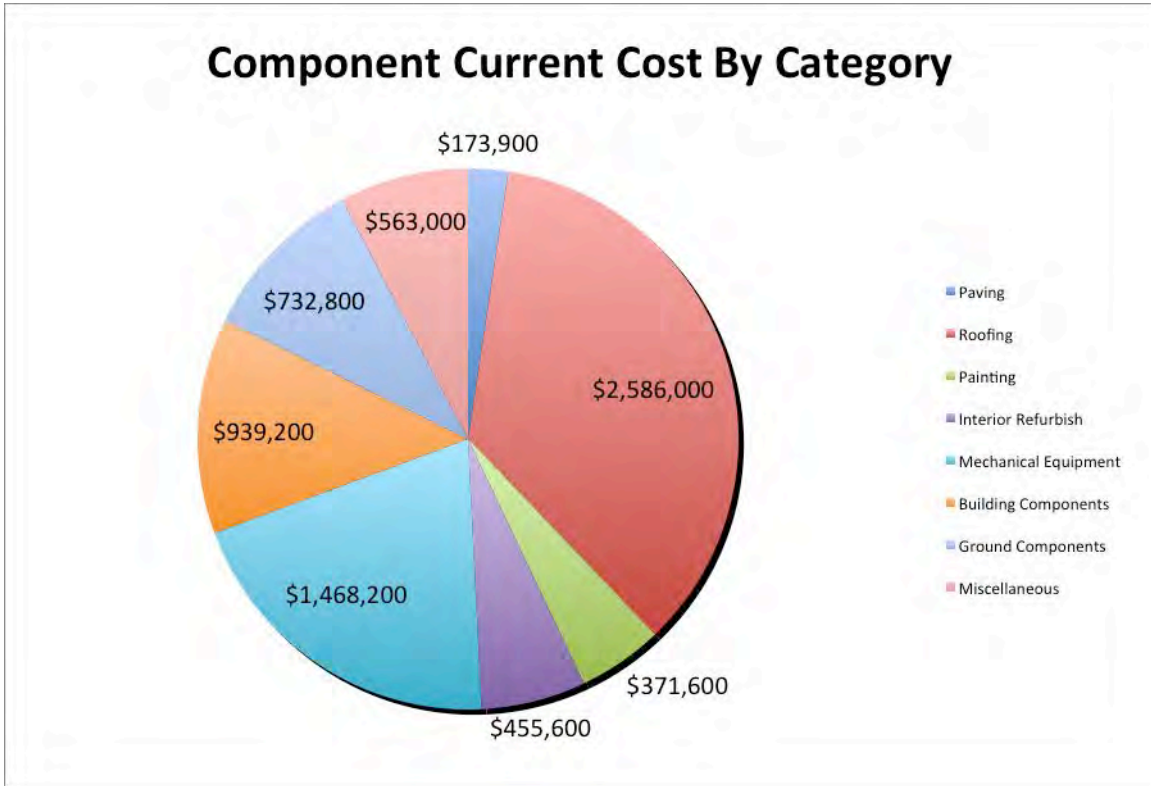
Replacement Year	2046	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,520
Paving, Bomanite Reseal		\$32,800	\$49,856
North & South Garage, Repaint & Repair		\$32,000	\$48,640
Painting, Parking Lot Light Poles		\$3,500	\$5,320
Re-Screen Allowance		\$5,100	\$7,752
Office Flooring, Carpet, Replace		\$4,800	\$7,296
Beachside Gates, Replace		\$3,400	\$5,168
Pool & Spa, Retile		\$3,000	\$4,560
Ventilator Fans, North, Replace		\$3,200	\$4,864
AC Equipment, Office, Replace		\$7,800	\$11,856
Elevator Doors, Replace 50%		\$109,000	\$165,680
Total Expenditures			\$312,512
Replacement Year	2047	Current Cost	Future Cost
Kitchen Stack, Cleanout		\$13,500	\$20,790
Cast Iron/Fire Pipes, Replace		\$50,000	\$77,000
Annual Reserve Study		\$1,000	\$1,540
Seal Coat Blacktop areas		\$9,700	\$14,938
Light Fixtures, Replace		\$39,800	\$61,292
Tennis/Pickle Court, Resurface		\$8,200	\$12,628
Paving, Asphalt Overlay		\$123,000	\$189,420
Management Office, Refurbish		\$4,800	\$7,392
Recycling System, Replace		\$85,100	\$131,054
Roll-Up Doors, Replace		\$7,700	\$11,858
Trash Chute Doors, Replace		\$17,100	\$26,334
Insurance Deductible/Uninsured Casualty		\$200,000	\$308,000
Total Expenditures			\$862,246
Replacement Year	2048	Current Cost	Future Cost
AC Equipment, Pump Room, Replace		\$4,500	\$7,020
Recycling Containers, Replace		\$9,000	\$14,040
Canopy Fabric, Replace		\$31,000	\$48,360
Annual Reserve Study		\$1,000	\$1,560
AC Equipment, Maintenance Shop		\$1,500	\$2,340
Kitchen Appliance Allowance		\$5,600	\$8,736
Re-paint Mansard/Portico Metal Roofing		\$21,200	\$33,072
Pool & Spa, Resurface		\$18,500	\$28,860
Domestic Water Pump, Replace		\$20,600	\$32,136
Elevator Cabs, Refurbish		\$13,200	\$20,592
Fire Alarm Control Panel, Replace		\$39,900	\$62,244
Mailboxes, Cluster, Replace		\$4,600	\$7,176
Fencing, Pool, Replace		\$9,300	\$14,508
Lobby Fountains, Replace Motors		\$3,900	\$6,084
Total Expenditures			\$286,728

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2049	Current Cost	Future Cost
Annual Reserve Study		\$1,000	\$1,580
Seal Coat Blacktop areas		\$9,700	\$15,326
Tiki Huts, Bicycle Storage, Re-thatch		\$5,100	\$8,058
Treadmill, Replace		\$3,300	\$5,214
AC Equipment, Exercise Room, Replace		\$8,000	\$12,640
AC Equipment, Fitness Room, Replace		\$8,000	\$12,640
AC Equipment, Lobby, Replace		\$13,600	\$21,488
AC Equipment, Social Room, Replace		\$6,800	\$10,744
Drinking Fountains, Replace		\$2,500	\$3,950
AC Equipment, Elevator Room, Replace		\$2,200	\$3,476
Underground Piping, Repairs		\$60,000	\$94,800
Total Expenditures			<u>\$189,916</u>

Part 5: Charts & Graphs

The following charts and graphs are intended to provide a better understanding of the numbers contained in this report.



Part 6: Appendix

Florida Statutory Reserve Requirements

FLORIDA STATUTES

The following an excerpt from Florida Statutes Chapter 718 concerning reserve budget requirements for condominium associations. This is provided for reference only and is not intended as legal advice.

...(f) Annual budget.

1. The proposed annual budget of estimated revenues and expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to, those expenses listed in s. 718.504(21). A multicondominium association shall adopt a separate budget of common expenses for each condominium the association operates and shall adopt a separate budget of common expenses for the association. In addition, if the association maintains limited common elements with the cost to be shared only by those entitled to use the limited common elements as provided for in s. 718.113 (1), the budget or a schedule attached thereto shall show amounts budgeted therefore. If, after turnover of control of the association to the unit owners, any of the expenses listed in s. 718.504 (21) are not applicable, they need not be listed.

2. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This subsection does not apply to an adopted budget in which the members of an association have determined, by a majority vote at a duly called meeting of the association, to provide no reserves or less reserves than required by this subsection. However, prior to turnover of control of an association by a developer to unit owners other than a developer pursuant to s. 718.301, the developer may vote to waive the reserves or reduce the funding of reserves for the first 2 fiscal years of the association's operation, beginning with the fiscal year in which the initial declaration is recorded, after which time reserves may be waived or reduced only upon the vote of a majority of all nondeveloper voting interests voting in person or by limited proxy at a duly called meeting of the association. If a meeting of the unit owners has been called to determine whether to waive or reduce the funding of reserves, and no such result is achieved or a quorum is not attained, the reserves as included in the budget shall go into effect. After the turnover, the developer may vote its voting interest to waive or reduce the funding of reserves.

3. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote at a duly called meeting of the association. Prior to turnover of control of an association by a developer to unit owners other than the developer pursuant to s. 718.301, the developer-controlled association shall not vote to use reserves for purposes other than that for which they were intended without the approval of a majority of all nondeveloper voting interests, voting in person or by limited proxy at a duly called meeting of the association.

FLORIDA ADMINISTRATIVE CODE

The following an excerpt from the Florida Administrative Code Rule 61B concerning reserve budget requirements for condominium associations. This is provided for reference only and is not intended as legal advice.

61B-22.001 Definitions.

For the purposes of this chapter the following definitions shall apply:

(1) “Accounting records” include all of the books and records identified in Section 718.111(12)(a)11., Florida Statutes, and any other records that identify, measure, record, or communicate financial information whether the records are maintained electronically or otherwise, including, all payroll and personnel records of the association, all invoices for purchases made by the association, and all invoices for services provided to the association.

(2) “Capital expenditure” means any expenditure of funds for:

(a) The purchase of an asset whose useful life is greater than one year in length;

(b) The replacement of an asset whose useful life is greater than one year in length; or

(c) The addition to an asset that extends the useful life of the previously existing asset for a period greater than one year in length.

(3) “Deferred maintenance” means any maintenance or repair that:

(a) Will be performed less frequently than yearly; and

(b) Will result in maintaining the useful life of an asset.

(4) “Funds” means money and negotiable instruments including, for example, cash, checks, notes, and securities.

(5) “Reserves” means any funds, other than operating funds, that are restricted for deferred maintenance and capital expenditures, including the items required by Section 718.112(2)(f)2., Florida Statutes, and any other funds restricted as to use by the condominium documents or the condominium association. Funds that are not restricted as to use by Section 718.112(2)(f), Florida Statutes, the condominium documents or by the association shall not be considered reserves within the meaning of this rule.

(6) “Turnover” means transfer of association control from developers to non-developer unit owners pursuant to Section 718.301, Florida Statutes.

61B-22.003 Budgets.

(1) Required elements for estimated operating budgets. The budget for each association shall:

(d) Include all estimated common expenses or expenditures of the association including the categories set forth in Section 718.504(21)(c), Florida Statutes. Reserves for capital expenditures and deferred maintenance required by Section 718.112(2)(f), Florida Statutes, must be included in the proposed annual budget and shall not be waived or reduced prior to the mailing to unit owners of a proposed annual budget. If the estimated common expense for any category set forth in the statute is not applicable, the category shall be listed followed by an indication that the expense is not applicable;

FLORIDA ADMINISTRATIVE CODE

The following an excerpt from the Florida Administrative Code Rule 61B concerning reserve budget requirements for condominium associations. This is provided for reference only and is not intended as legal advice.

(e) Unless the association maintains a pooled account for reserves required by Section 718.112(2)(f)2., Florida Statutes, the association shall include a schedule stating each reserve account for capital expenditures and deferred maintenance as a separate line item with the following minimum disclosures:

1. The total estimated useful life of the asset;
2. The estimated remaining useful life of the asset;
3. The estimated replacement cost or deferred maintenance expense of the asset;
4. The estimated fund balance as of the beginning of the period for which the budget will be in effect; and

5. The developer's total funding obligation, when all units are sold, for each converter reserve account established pursuant to Section 718.618, Florida Statutes, if applicable.

(f) If the association maintains a pooled account for reserves required by Section 718.112(2)(f)2., Florida Statutes, the association shall include a separate schedule of any pooled reserves with the following minimum disclosures:

1. The total estimated useful life of each asset within the pooled analysis;
2. The estimated remaining useful life of each asset within the pooled analysis;
3. The estimated replacement cost or deferred maintenance expense of each asset within the pooled analysis; and
4. The estimated fund balance of the pooled reserve account as of the beginning of the period for which the budget will be in effect.

(g) Include a separate schedule of any other reserve funds to be restricted by the association as a separate line item with the following minimum disclosures:

1. The intended use of the restricted funds; and
2. The estimated fund balance of the item as of the beginning of the period for which the budget will be in effect.

(2) Unrestricted expense categories. Expense categories that are not restricted as to use shall be stated in the operating portion of the budget rather than the reserve portion of the budget.

(4) Multicondominium associations. Multicondominium associations shall comply with the following requirements:

(a) Provide a separate budget for each condominium operated by the association as well as for the association. Each such budget shall disclose:

1. Estimated expenses specific to a condominium such as the maintenance, deferred maintenance or replacement of the common elements of the condominium which shall be provided for in the budget of the specific condominium;

2. Estimated expenses of the association that are not specific to a condominium such as the maintenance, deferred maintenance or replacement of the property serving more than one condominium which shall be provided for in the association budget; and

FLORIDA ADMINISTRATIVE CODE

The following an excerpt from the Florida Administrative Code Rule 61B concerning reserve budget requirements for condominium associations. This is provided for reference only and is not intended as legal advice.

3. Multicondominium associations created after June 30, 2000, or that have created separate ownership interests of the common surplus of the association for each unit as provided in Sections 718.104(4)(h) and 718.110(12), Florida Statutes, shall include each unit's share of the estimated expenses of the association, referred to in subsection (2) of this rule, which shall be shown on the individual condominium budgets. Multicondominium associations created prior to July 1, 2000, that have not created separate ownership interests of the common surplus of the association for each unit as provided in Sections 718.104(4)(h) and 718.110(12), Florida Statutes, shall include each condominium's share of the estimated expenses of the association, referred to in subsection (2) of this rule, which shall be shown on the individual condominium budgets.

4. The budgets of multicondominium associations created after June 30, 2000 or of multicondominium associations that have created separate ownership interests of the common surplus of the association for each unit as provided in Sections 718.104(4)(h) and 718.110(12), Florida Statutes, shall show the estimated revenues of each condominium and of the association.

(b) Associations that operate separate condominiums in a consolidated fashion pursuant to Section 718.111(6), Florida Statutes, may utilize a single consolidated budget.

(5) Limited common elements. If an association maintains limited common elements at the expense of only those unit owners entitled to use the limited common elements pursuant to Section 718.113(1), Florida Statutes, the budget shall include a separate schedule, or schedules, conforming to the requirements for budgets as stated in this rule, of all estimated expenses specific to each of the limited common elements, including any applicable reserves for deferred maintenance and capital expenditures. The schedule or schedules may group the maintenance expense of any limited common elements for which the declaration provides that the maintenance expense is to be shared by a group of unit owners.

(6) Phase condominium budgets. By operation of law, the annual budget of a phase condominium created pursuant to Section 718.403, Florida Statutes, shall automatically be adjusted to incorporate the change in proportionate ownership of the common elements by the purchasers and to incorporate any other changes related to the addition of phases in accordance with the declaration of condominium. The adjusted annual budget shall be effective on the date that the amendment to the declaration adding a phase to a phase condominium is recorded in the official records of the county in which the condominium is located. Notwithstanding the requirements of subsection (7) of this rule, the association shall not be required to follow the provisions of Section 718.112(2)(c), Florida Statutes, unless, as a result of the budget adjustment, the assessment per unit has changed.

(7) Budget assessment amendments. The association may amend a previously approved annual budget. In order to do so the board of administration shall follow the provisions of Section 718.112(2)(e), Florida Statutes. For example, the board shall mail a meeting notice and copies of the proposed amended annual budget to the unit owners not less than 14 days prior to the meeting at which the budget amendment will be considered.

FLORIDA ADMINISTRATIVE CODE

The following an excerpt from the Florida Administrative Code Rule 61B concerning reserve budget requirements for condominium associations. This is provided for reference only and is not intended as legal advice.

61B-22.005 Reserves.

(1) Reserves required by statute. Reserves required by Section 718.112(2)(f), Florida Statutes, for capital expenditures and deferred maintenance including roofing, painting, paving, and any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000 shall be included in the budget. For the purpose of determining whether the deferred maintenance expense or replacement cost of an item exceeds \$10,000, the association may consider each asset of the association separately. Alternatively, the association may group similar or related assets together. For example, an association responsible for the maintenance of two swimming pools, each of which will separately require \$6,000 of total deferred maintenance, may establish a pool reserve, but is not required to do so.

(2) Commingling operating and reserve funds. Associations that collect operating and reserve assessments as a single payment shall not be considered to have commingled the funds provided the reserve portion of the payment is transferred to a separate reserve account, or accounts, within 30 calendar days from the date such funds were deposited.

(3) Calculating reserves required by statute. Reserves for deferred maintenance and capital expenditures required by Section 718.112(2)(f), Florida Statutes, shall be calculated using a formula that will provide funds equal to the total estimated deferred maintenance expense or total estimated replacement cost for an asset or group of assets over the remaining useful life of the asset or group of assets. Funding formulas for reserves required by Section 718.112(2)(f), Florida Statutes, shall be based on either a separate analysis of each of the required assets or a pooled analysis of two or more of the required assets.

(a) If the association maintains separate reserve accounts for each of the required assets, the amount of the current year contribution to each reserve account shall be the sum of the following two calculations:

1. The total amount necessary, if any, to bring a negative account balance to zero; and

2. The total estimated deferred maintenance expense or estimated replacement cost of the reserve asset less the estimated balance of the reserve account as of the beginning of the period for which the budget will be in effect. The remainder, if greater than zero, shall be divided by the estimated remaining useful life of the asset. The formula may be adjusted each year for changes in estimates and deferred maintenance performed during the year and may consider factors such as inflation and earnings on invested funds.

(b) If the association maintains a pooled account of two or more of the required reserve assets, the amount of the contribution to the pooled reserve account as disclosed on the proposed budget shall be not less than that required to ensure that the balance on hand at the beginning of the period for which the budget will go into effect plus the projected annual cash inflows over the remaining estimated useful lives of all of the assets that make up the reserve pool are equal to or greater than the projected annual cash outflows over the remaining estimated useful lives of all of the assets that make up the reserve pool, based on the current reserve analysis. The projected annual cash inflows may include estimated earnings from investment of principal. The reserve funding formula shall not include any type of balloon payments.

(4) Estimating reserves that are not required by statute. Reserves that are not required by Section 718.112(2)(f), Florida Statutes, are not required to be based on any specific formula.

FLORIDA ADMINISTRATIVE CODE

The following an excerpt from the Florida Administrative Code Rule 61B concerning reserve budget requirements for condominium associations. This is provided for reference only and is not intended as legal advice.

(5) Estimating non-converter reserves when the developer is funding converter reserves. For the purpose of estimating non-converter reserves, the estimated fund balance of the non-converter reserve account related to any asset for which the developer has established converter reserves pursuant to Section 718.618, Florida Statutes, shall be the sum of:

(a) The developer's total funding obligation, when all units are sold, for the converter reserve account pursuant to Section 718.618, Florida Statutes; and

(b) The estimated fund balance of the non-converter reserve account, excluding the developer's converter obligation, as of the beginning of the period for which the budget will be in effect.

(6) Timely funding. Reserves included in the adopted budget are common expenses and must be fully funded unless properly waived or reduced. Reserves shall be funded in at least the same frequency that assessments are due from the unit owners (e.g., monthly or quarterly).

(7) Restrictions on use. In a multicondominium association, no vote to allow an association to use reserve funds for purposes other than that for which the funds were originally reserved shall be effective as to a particular condominium unless conducted at a meeting at which the same percentage of voting interests in that condominium that would otherwise be required for a quorum of the association is present in person or by proxy, and a majority of those present in person or by limited proxy, vote to use reserve funds for another purpose. Expenditure of unallocated interest income earned on reserve funds is restricted to any of the capital expenditures, deferred maintenance or other items for which reserve accounts have been established.

(8) Annual vote required to waive reserves. Any vote to waive or reduce reserves for capital expenditures and deferred maintenance required by Section 718.112(2)(f)2., Florida Statutes, shall be effective for only one annual budget. Additionally, in a multicondominium association, no waiver or reduction is effective as to a particular condominium unless conducted at a meeting at which the same percentage of voting interests in that condominium that would otherwise be required for a quorum of the association is present, in person or by proxy, and a majority of those present in person or by limited proxy vote to waive or reduce reserves. For multicondominium associations in which the developer is precluded from casting its votes to waive or reduce the funding of reserves, no waiver or reduction is effective as to a particular condominium unless conducted at a meeting at which the same percentage of non-developer voting interests in that condominium that would otherwise be required for a quorum of the association is present, in person or by proxy, and a majority of those present in person or by limited proxy vote to waive or reduce reserves.

FLORIDA ADMINISTRATIVE CODE

The following an excerpt from the Florida Administrative Code Rule 61B concerning reserve budget requirements for condominium associations. This is provided for reference only and is not intended as legal advice.

61B-22.006 Financial Reporting Requirements.

(3) Disclosure requirements. The financial statements required by Sections 718.111(13) and 718.301(4), F.S., shall contain the following disclosures within the financial statements, notes, or supplementary information:

(a) The following reserve disclosures shall be made regardless of whether reserves have been waived for the fiscal period covered by the financial statements:

1. The beginning balance in each reserve account as of the beginning of the fiscal period covered by the financial statements;

2. The amount of assessments and other additions to each reserve account including authorized transfers from other reserve accounts;

3. The amount expended or removed from each reserve account, including authorized transfers to other reserve accounts;

4. The ending balance in each reserve account as of the end of the fiscal period covered by the financial statements;

5. The amount of annual funding required to fully fund each reserve account, or pool of accounts, over the remaining useful life of the applicable asset or group of assets;

6. The manner by which reserve items were estimated, the date the estimates were last made, the association's policies for allocating reserve fund interest, and whether reserves have been waived during the period covered by the financial statements; and

7. If the developer has established converter reserves pursuant to Section 718.618(1), F.S., each converter reserve account shall be identified and include the disclosures required by this rule.

(b) The method by which income and expenses were allocated to the unit owners;

(c) The specific purpose or purposes of any special assessments to unit owners pursuant to Section 718.116(10), F.S., and the amount of each special assessment and the disposition of the funds collected;

(d) The amount of revenues and expenses related to limited common elements shall be disclosed when the association maintains the limited common elements and the expense is apportioned to those unit owners entitled to the exclusive use of the limited common elements; and

(e) If a guarantee pursuant to Section 718.116(9), F.S., existed at any time during the fiscal year, the financial statements shall disclose the following:

1. The period of time covered by the guarantee;

2. The amount of common expenses incurred during the guarantee period;

3. The amount of assessments charged to the non-developer unit owners during the guarantee period;

4. The amount of non-assessment revenues earned by the association, with each non-assessment revenue generating activity disclosed separately, during the guarantee period;

5. The amount of expenses incurred in the production of non-assessment revenues, with each non-assessment revenue generating activity disclosed separately, during the guarantee period;

6. The amount of the developer's payments pursuant to the guarantee; and

7. Any financial obligation due to or from the developer resulting from the guarantee.

FLORIDA ADMINISTRATIVE CODE

The following an excerpt from the Florida Administrative Code Rule 61B concerning reserve budget requirements for condominium associations. This is provided for reference only and is not intended as legal advice.

(4) Multicondominium associations. Multicondominium associations may present the financial statements required by Sections 718.111(13) and 718.301(4), F.S., on a combined basis as long as the financial statements, notes, or supplementary information disclose the revenues, expenses, and changes in fund balance for each condominium, and the association, as applicable. The financial statements, notes, or supplementary information shall also disclose the revenues and expenses of the association that are not directly associated with specified condominiums, and the method used to allocate such expenses to the condominiums or units, as applicable. Additionally, the reserve disclosures required by this rule shall be presented separately for each condominium and for any association reserves not specifically identified with individual condominiums. The provisions of this rule shall apply to multicondominium financial reporting for fiscal periods ending on or after December 31, 2002. Earlier application of the provisions of this rule is permitted.

(5) Developer assessments. All financial reporting required by Chapter 718, F.S., shall disclose the assessment revenues from the developer separately from that of the non-developer unit owners.

(6) Financial reports required by Section 718.111(13)(b), F.S.. The financial report required by Section 718.111(13)(b), F.S., shall meet the following requirements:

(a) The report shall be prepared using a cash basis method of accounting.

(b) The report shall include the reserve disclosures required by paragraph 61B-22.006(3)(a), F.A.C.

(c) The report shall include the special assessment disclosure required by paragraph 61B-22.006(3)(c), F.A.C.

(d) If the association maintains limited common elements and the expense is apportioned to those units entitled to the exclusive use of the limited common elements the report shall contain the limited common element disclosures required by paragraph 61B-22.006(3)(d), F.A.C.

(e) The financial reports of multicondominium associations shall separately disclose the following items:

1. The receipts and expenditures directly associated with specific condominiums; and

2. The receipts and expenditures of the association that are not directly associated with specific condominiums.

(7) The minutes of the association shall reflect the number of votes cast by the membership to waive the requirement for audited, reviewed, or compiled financial statements and the type of financial reporting that the association will be preparing and disseminating to the membership.

THANK YOU!



We truly appreciate you allowing LCAM Resources the opportunity to serve you, and we hope that you are happy with our service.

In an effort to improve our services, we would be very interested in hearing any comments, suggestions or criticisms that you may have. A letter, fax or email would be greatly appreciated!



LCAM Resources

Reserve Studies & Insurance Appraisals

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