

2018 Reserve Study Update

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



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October 29, 2017

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 2018 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 2017 Reserve Contribution:	\$276,730
Proposed 2018 Reserve Contribution, Straight-Line, Full Funding:	\$1,127,628
Proposed 2018 Reserve Contribution, 30-Year Cash Flow, Pooled:	\$297,578

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.

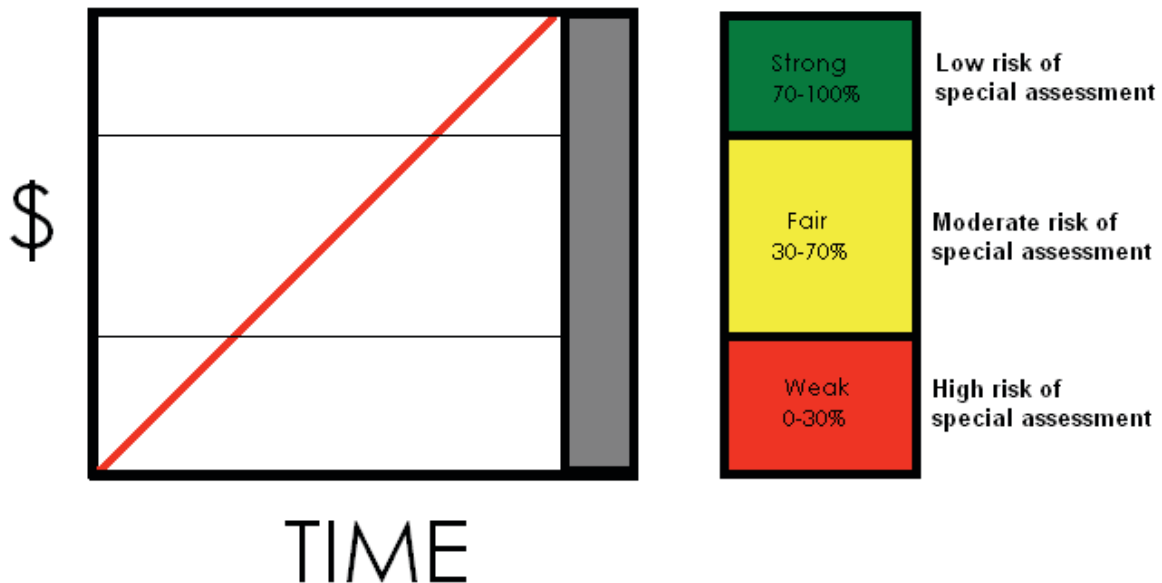
30-Year Cash Flow / Pooling Method – This alternate funding plan utilizes a cash flow method with “pooled reserves,” in which all reserve funds are combined into a single general account, or “pool” of funds. A 30-year cash flow analysis is then performed to determine the annual reserve contribution required 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.”

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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:	\$665,613
Fully Funded Reserves:	\$1,793,241
Percent Fully Funded as of 1/1/2018:	37%

Description	Cost Estimate	Expected Life	Replacement Year	Remaining Life	12/31/17 Balance*	Unfunded Balance	2018 Contribution
PAVING							
Brick Pavers, South Garage, Replace	\$8,000	30	2042	24	\$1,268	\$6,732	\$280
Paving, Asphalt Overlay	\$120,000	20	2027	9	\$19,022	\$100,978	\$11,220
Paving, Red Bomanite, Repair & Seal	\$15,200	5	2019	1	\$2,409	\$12,791	\$12,791
Paving, Tan Bomanite, Waterblast & Stain	\$27,700	5	2019	1	\$4,391	\$23,309	\$23,309
Seal Coat Blacktop areas	\$9,600	2	2019	1	\$1,522	\$8,078	\$8,078
Total	\$180,500				\$28,612	\$151,888	\$55,678
ROOFING							
Roofing, Metal Panel, Reroof	\$111,000	36	2025	7	\$17,595	\$93,405	\$13,344
Roofing, North Garage, Reroof	\$90,200	15	2023	5	\$14,298	\$75,902	\$15,180
Roofing, North Garage, Reseal	\$9,600	5	2019	1	\$1,522	\$8,078	\$8,078
Roofing, Parapet Repairs	\$16,200	22	2034	16	\$2,568	\$13,632	\$852
Roofing, South Garage Expansion Joint	\$56,200	10	2022	4	\$8,909	\$47,291	\$11,823
Roofing, South Garage, Waterproof Membrane	\$233,300	15	2031	13	\$36,982	\$196,318	\$15,101
Roofing, Tower, Bitumen, Remove Existing	\$214,200	30	2020	2	\$33,954	\$180,246	\$90,123
Roofing, Tower, Bitumen, Replace	\$246,200	15	2020	2	\$39,027	\$207,173	\$103,587
Roofing, Tower, Reseal	\$1,800	10	2023	5	\$285	\$1,515	\$303
Tiki Huts, Bicycle Storage, Re-thatch	\$4,400	4	2020	2	\$697	\$3,703	\$1,851
Tiki Huts, Pool, Re-thatch	\$1,100	8	2023	5	\$174	\$926	\$185
Total	\$984,200				\$156,013	\$828,187	\$260,427
PAINTING							
North & South Garage, Repaint & Repair	\$30,400	5	2019	1	\$4,819	\$25,581	\$25,581
Painting, #16 Parking Lot Light Poles	\$3,300	5	2019	1	\$523	\$2,777	\$2,777
Painting, Exterior, Tower	\$227,800	7	2023	5	\$36,110	\$191,690	\$38,338
Painting, Interior Common Areas	\$50,000	7	2023	5	\$7,926	\$42,074	\$8,415
Re-paint Mansard/Portico Metal Roofing	\$20,200	7	2019	1	\$3,202	\$16,998	\$16,998
Stairwells & Railing, Repaint	\$21,800	14	2027	9	\$3,456	\$18,344	\$2,038
Total	\$353,500				\$56,036	\$297,464	\$94,147
INTERIOR REFURBISH							
Cardio Fitness Equipment, Replace	\$18,500	8	2020	2	\$2,933	\$15,567	\$7,784
Elevator Cabs, Refurbish	\$12,600	20	2028	10	\$1,997	\$10,603	\$1,060
Elliptical Fitness Equipment, Replace	\$5,100	8	2021	3	\$808	\$4,292	\$1,431
Kitchen Appliance Allowance	\$5,700	12	2024	6	\$904	\$4,796	\$799
Mailboxes, Cluster, Replace	\$4,500	30	2019	1	\$713	\$3,787	\$3,787
Management Office, Refurbish	\$4,600	20	2027	9	\$729	\$3,871	\$430
Multi Gym, Replace	\$6,900	16	2028	10	\$1,094	\$5,806	\$581
Office Flooring, Carpet, Replace	\$4,600	8	2022	4	\$729	\$3,871	\$968
Office Windows & Doors, Replace	\$7,900	20	2033	15	\$1,252	\$6,648	\$443
Renovate Lobby	\$50,000	18	2018	1	\$7,926	\$42,074	\$42,074
Restrooms, Pool Renovate	\$10,200	24	2036	18	\$1,617	\$8,583	\$477
Social Room, Refurbish	\$69,400	22	2034	16	\$11,001	\$58,399	\$3,650
Treadmill, Replace	\$3,200	4	2019	1	\$507	\$2,693	\$2,693
Total	\$203,200				\$32,211	\$170,989	\$66,176

*The 12/31/17 balance amounts provided are based on a weighted proportional allocation of the estimated total ending balance.

Straight Line Reserve Schedule

Beginning Balance: **\$665,613**
 Fully Funded Reserves: **\$1,793,241**
 Percent Fully Funded as of 1/1/2018: **37%**

Description	Cost Estimate	Expected Life	Replacement Year	Remaining Life	12/31/17 Balance*	Unfunded Balance	2018 Contribution
MECHANICAL EQUIPMENT							
AC Circulating Pumps, Replace	\$10,600	14	2026	8	\$1,680	\$8,920	\$1,115
AC Cooling Tower, Replace	\$261,200	20	2021	3	\$41,405	\$219,795	\$73,265
AC Cooling Tower, Repair Allowance	\$5,000	10	2018	1	\$793	\$4,207	\$4,207
AC Equipment, Elevator Room, Replace	\$2,000	9	2022	4	\$317	\$1,683	\$421
AC Equipment, Exercise Room, Replace	\$7,800	14	2019	1	\$1,236	\$6,564	\$6,564
AC Equipment, Fitness Room, Replace	\$7,900	14	2019	1	\$1,252	\$6,648	\$6,648
AC Equipment, Lobby, Replace	\$12,900	14	2019	1	\$2,045	\$10,855	\$10,855
AC Equipment, Maintenance Shop	\$1,400	9	2020	2	\$222	\$1,178	\$589
AC Equipment, Office, Replace	\$7,345	14	2018	1	\$1,164	\$6,181	\$6,181
AC Equipment, Pump Room, Replace	\$4,500	14	2018	1	\$713	\$3,787	\$3,787
AC Equipment, Social Room, Replace	\$6,400	14	2019	1	\$1,015	\$5,385	\$5,385
Alarm Panel and Devices, Replace	\$23,100	20	2031	13	\$3,662	\$19,438	\$1,495
Boiler, Replace	\$32,400	20	2031	13	\$5,136	\$27,264	\$2,097
Domestic Water Pump, Replace	\$19,600	20	2028	10	\$3,107	\$16,493	\$1,649
Elevator Controls, Modernize	\$200,000	28	2027	9	\$31,703	\$168,297	\$18,700
Elevator Doors, Replace 50%	\$106,300	28	2045	27	\$16,850	\$89,450	\$3,313
Emergency Generator, Replace	\$60,100	36	2025	7	\$9,527	\$50,573	\$7,225
Expansion Tanks, Replace	\$4,400	10	2022	4	\$697	\$3,703	\$926
Fire Alarm Control Panel, Replace	\$38,900	10	2026	8	\$6,166	\$32,734	\$4,092
Fire Detection System, Upgrade	\$117,900	20	2020	2	\$18,689	\$99,211	\$49,605
Fire Hydrant, Replace 2 of 4	\$9,000	25	2037	19	\$1,427	\$7,573	\$399
Fire Hydrants, Replace 2 of 4	\$9,000	25	2041	23	\$1,427	\$7,573	\$329
Fire Pump, Replace	\$57,800	36	2025	7	\$9,162	\$48,638	\$6,948
Fire Speaker System, Upgrade	\$50,400	20	2033	15	\$7,989	\$42,411	\$2,827
Fire Sprinkler, Replacement Allowance	\$7,000	10	2018	1	\$1,110	\$5,890	\$5,890
Heat Exchanger, Replace	\$34,600	40	2029	11	\$5,485	\$29,115	\$2,647
Key Fobs, Replace	\$9,300	8	2019	1	\$1,474	\$7,826	\$7,826
Pool & Spa Heaters, Replace	\$5,100	10	2018	1	\$808	\$4,292	\$4,292
Pool Equipment, Allowance	\$5,100	5	2020	2	\$808	\$4,292	\$2,146
Recycling Containers, Replace	\$9,000	4	2018	1	\$1,427	\$7,573	\$7,573
Recycling System, Replace	\$80,900	20	2027	9	\$12,824	\$68,076	\$7,564
Tile Machine, Replace	\$8,000	12	2027	9	\$1,268	\$6,732	\$748
Variable Frequency Drive, Replace	\$9,600	14	2026	8	\$1,522	\$8,078	\$1,010
Ventilator Fans, North, Replace	\$3,000	18	2028	10	\$476	\$2,524	\$252
Total	\$1,227,545				\$194,587	\$1,032,958	\$258,570
BUILDING COMPONENTS							
Cast Iron/Fire Pipes, Replace	\$50,000	27	2018	1	\$7,926	\$42,074	\$42,074
Drinking Fountains, Replace	\$2,400	14	2018	1	\$380	\$2,020	\$2,020
Front Entry Door Enterphone, Replace	\$4,400	14	2029	11	\$697	\$3,703	\$337
Front Entry Doors and Jambs	\$18,500	24	2034	16	\$2,933	\$15,567	\$973
Front Entry Shrubs	\$3,500	20	2032	14	\$555	\$2,945	\$210
Hallway Concrete/Tile Repairs	\$11,300	30	2045	27	\$1,791	\$9,509	\$352
Lanai Screen Repairs w/ Swingstage	\$37,700	24	2036	18	\$5,976	\$31,724	\$1,762
Light Fixtures, Replace	\$37,800	26	2020	2	\$5,992	\$31,808	\$15,904
Re-Screen Allowance	\$5,000	5	2018	1	\$793	\$4,207	\$4,207
Roll-Up Doors, Replace	\$7,300	20	2027	9	\$1,157	\$6,143	\$683
Screened Balconies & Railing, Replace	\$209,200	9	2019	1	\$33,162	\$176,038	\$176,038
Security Cameras & Equipment, Replace	\$4,700	8	2019	1	\$745	\$3,955	\$3,955
Tile Flooring, Replace	\$178,000	24	2031	13	\$28,216	\$149,784	\$11,522
Trash Chute Doors, Replace	\$16,300	20	2027	9	\$2,584	\$13,716	\$1,524
Trash Containers, Replace	\$3,700	10	2022	4	\$587	\$3,113	\$778
Total	\$589,800				\$93,493	\$496,307	\$262,340

*The 12/31/17 balance amounts provided are based on a weighted proportional allocation of the estimated total ending balance.

RESERVE SCHEDULE**Straight Line Reserve Schedule**

Beginning Balance:	\$665,613
Fully Funded Reserves:	\$1,793,241
Percent Fully Funded as of 1/1/2018:	37%

Description	Cost Estimate	Expected Life	Replacement Year	Remaining Life	12/31/17 Balance*	Unfunded Balance	2018 Contribution
GROUNDS COMPONENTS							
BBQ Grills (2), Replace	\$2,700	8	2019	1	\$428	\$2,272	\$2,272
Beach Deck & Railing, Replace	\$252,000	15	2030	12	\$39,946	\$212,054	\$17,671
Beach Deck Walkover: Dream Deck	\$68,000	20	2025	7	\$10,779	\$57,221	\$8,174
Canopy Fabric, Replace	\$31,100	7	2023	5	\$4,930	\$26,170	\$5,234
Canopy Frames, Repair	\$5,600	21	2023	5	\$888	\$4,712	\$942
Dunewalk, Replace Decking & Rails	\$39,300	20	2035	17	\$6,230	\$33,070	\$1,945
Fencing, Chain Link, Replace	\$13,200	22	2022	4	\$2,092	\$11,108	\$2,777
Fencing, Pool, Replace	\$9,100	15	2019	1	\$1,443	\$7,657	\$7,657
Flag Pole, Replace	\$2,600	30	2030	12	\$412	\$2,188	\$182
Golf Cart, Replace	\$4,200	8	2024	6	\$666	\$3,534	\$589
Ice Machine, Replace	\$4,100	15	2030	12	\$650	\$3,450	\$288
Kneewall Repairs	\$44,000	20	2020	2	\$6,975	\$37,025	\$18,513
Light Poles, Replace	\$42,800	30	2030	12	\$6,785	\$36,015	\$3,001
Lobby Fountains, Pebblecoat	\$6,600	8	2019	1	\$1,046	\$5,554	\$5,554
Lobby Fountains, Replace Motors	\$3,800	8	2024	6	\$602	\$3,198	\$533
Pool & Spa, Resurface	\$18,000	10	2018	1	\$2,853	\$15,147	\$15,147
Pool & Spa, Retile	\$2,900	20	2026	8	\$460	\$2,440	\$305
Pool Deck Pavers, Replace	\$61,300	20	2020	2	\$9,717	\$51,583	\$25,791
Pool Equipment, Allowance	\$3,600	5	2018	1	\$571	\$3,029	\$3,029
Pool Furniture, Replace	\$5,100	8	2025	1	\$808	\$4,292	\$4,292
Pool House Slab Repairs	\$14,700	30	2045	27	\$2,330	\$12,370	\$458
Powdercoat Beachside Gates	\$2,200	7	2021	3	\$349	\$1,851	\$617
Railing, Aluminum, Replace	\$9,700	28	2028	10	\$1,538	\$8,162	\$816
Railing, Sun Deck, Replace	\$4,600	20	2020	2	\$729	\$3,871	\$1,935
Tennis/Pickle Court, Resurface	\$8,000	5	2022	4	\$1,268	\$6,732	\$1,683
Total	\$659,200				\$104,495	\$554,705	\$129,407
MISC							
Annual Reserve Study	\$1,050	1	2018	1	\$166	\$884	\$884
Total	\$1,050				\$166	\$884	\$884
Grand Total	\$4,198,995				\$665,613	\$3,533,382	\$1,127,628

*The 12/31/17 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: \$665,613 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	2018	\$665,613	-	\$211.95	\$297,578	\$0	\$167,995	1.0%	\$7,952	\$803,147
2	2019	\$803,147	2.0%	\$216.19	\$303,529	\$0	\$409,377	1.0%	\$6,973	\$704,273
3	2020	\$704,273	2.0%	\$220.51	\$309,600	\$0	\$786,708	1.0%	\$2,272	\$229,436
4	2021	\$229,436	2.0%	\$224.92	\$315,792	\$0	\$295,899	1.0%	\$2,493	\$251,823
5	2022	\$251,823	2.0%	\$229.42	\$322,108	\$0	\$110,322	1.0%	\$4,636	\$468,245
6	2023	\$468,245	2.0%	\$234.01	\$328,550	\$0	\$473,055	1.0%	\$3,237	\$326,977
7	2024	\$326,977	2.0%	\$238.69	\$335,121	\$0	\$117,992	1.0%	\$5,441	\$549,547
8	2025	\$549,547	2.0%	\$243.46	\$341,823	\$0	\$362,235	1.0%	\$5,291	\$534,427
9	2026	\$534,427	2.0%	\$248.33	\$348,660	\$0	\$107,010	1.0%	\$7,761	\$783,837
10	2027	\$783,837	2.0%	\$253.30	\$355,633	\$0	\$594,779	1.0%	\$5,447	\$550,138
11	2028	\$550,138	2.0%	\$258.37	\$362,746	\$0	\$397,020	1.0%	\$5,159	\$521,022
12	2029	\$521,022	2.0%	\$263.53	\$370,001	\$0	\$173,667	1.0%	\$7,174	\$724,530
13	2030	\$724,530	2.0%	\$268.80	\$377,401	\$0	\$781,386	1.0%	\$3,205	\$323,750
14	2031	\$323,750	2.0%	\$274.18	\$384,949	\$0	\$609,525	1.0%	\$992	\$100,165
15	2032	\$100,165	2.0%	\$279.66	\$392,648	\$0	\$132,474	1.0%	\$3,603	\$363,942
16	2033	\$363,942	2.0%	\$285.26	\$400,501	\$0	\$181,545	1.0%	\$5,829	\$588,726
17	2034	\$588,726	2.0%	\$290.96	\$408,511	\$0	\$276,474	1.0%	\$7,208	\$727,971
18	2035	\$727,971	2.0%	\$296.78	\$416,681	\$0	\$442,133	1.0%	\$7,025	\$709,544
19	2036	\$709,544	2.0%	\$302.72	\$425,014	\$0	\$226,372	1.0%	\$9,082	\$917,268
20	2027	\$917,268	2.0%	\$308.77	\$433,515	\$0	\$760,173	1.0%	\$5,906	\$596,516
21	2028	\$596,516	2.0%	\$314.95	\$442,185	\$0	\$209,930	1.0%	\$8,288	\$837,058
22	2039	\$837,058	2.0%	\$321.25	\$451,029	\$0	\$154,993	1.0%	\$11,331	\$1,144,425
23	2040	\$1,144,425	2.0%	\$327.67	\$460,049	\$0	\$415,800	1.0%	\$11,887	\$1,200,561
24	2041	\$1,200,561	2.0%	\$334.22	\$469,250	\$0	\$449,315	1.0%	\$12,205	\$1,232,701
25	2042	\$1,232,701	2.0%	\$340.91	\$478,635	\$0	\$136,974	1.0%	\$15,744	\$1,590,106
26	2043	\$1,590,106	2.0%	\$347.73	\$488,208	\$0	\$77,925	1.0%	\$20,004	\$2,020,393
27	2044	\$2,020,393	2.0%	\$354.68	\$497,972	\$0	\$676,020	1.0%	\$18,423	\$1,860,768
28	2045	\$1,860,768	2.0%	\$361.77	\$507,932	\$0	\$811,965	1.0%	\$15,567	\$1,572,302
29	2046	\$1,572,302	2.0%	\$369.01	\$518,090	\$0	\$864,232	1.0%	\$12,262	\$1,238,422
30	2047	\$1,238,422	2.0%	\$376.39	\$528,452	\$0	\$487,667	1.0%	\$12,792	\$1,291,999

Year-By-Year Expenditures

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2018	Current Cost	Future Cost
Renovate Lobby		\$50,000	\$50,000
AC Cooling Tower, Repair Allowance		\$5,000	\$5,000
AC Equipment, Office, Replace		\$7,345	\$7,345
AC Equipment, Pump Room, Replace		\$4,500	\$4,500
Fire Sprinkler, Replacement Allowance		\$7,000	\$7,000
Pool & Spa Heaters, Replace		\$5,100	\$5,100
Recycling Containers, Replace		\$9,000	\$9,000
Cast Iron/Fire Pipes, Replace		\$50,000	\$50,000
Drinking Fountains, Replace		\$2,400	\$2,400
Re-Screen Allowance		\$5,000	\$5,000
Pool & Spa, Resurface		\$18,000	\$18,000
Pool Equipment, Allowance		\$3,600	\$3,600
Annual Reserve Study		\$1,050	\$1,050
Total Expenditures			<u>\$167,995</u>

Replacement Year	2019	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,071
Paving, Red Bomanite, Repair & Seal		\$15,200	\$15,504
Paving, Tan Bomanite, Waterblast & Stain		\$27,700	\$28,254
Seal Coat Blacktop areas		\$9,600	\$9,792
Roofing, North Garage, Reseal		\$9,600	\$9,792
North & South Garage, Repaint & Repair		\$30,400	\$31,008
Painting, #16 Parking Lot Light Poles		\$3,300	\$3,366
Re-paint Mansard/Portico Metal Roofing		\$20,200	\$20,604
Mailboxes, Cluster, Replace		\$4,500	\$4,590
Treadmill, Replace		\$3,200	\$3,264
AC Equipment, Exercise Room, Replace		\$7,800	\$7,956
AC Equipment, Fitness Room, Replace		\$7,900	\$8,058
AC Equipment, Lobby, Replace		\$12,900	\$13,158
AC Equipment, Social Room, Replace		\$6,400	\$6,528
Key Fobs, Replace		\$9,300	\$9,486
Screened Balconies & Railing, Replace		\$209,200	\$213,384
Security Cameras & Equipment, Replace		\$4,700	\$4,794
BBQ Grills (2), Replace		\$2,700	\$2,754
Fencing, Pool, Replace		\$9,100	\$9,282
Lobby Fountains, Pebblecoat		\$6,600	\$6,732
Total Expenditures			<u>\$409,377</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2020	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,092
Roofing, Tower, Bitumen, Remove Existing		\$214,200	\$222,768
Roofing, Tower, Bitumen, Replace		\$246,200	\$256,048
Tiki Huts, Bicycle Storage, Re-thatch		\$4,400	\$4,576
Cardio Fitness Equipment, Replace		\$18,500	\$19,240
AC Equipment, Maintenance Shop		\$1,400	\$1,456
Fire Detection System, Upgrade		\$117,900	\$122,616
Pool Equipment, Allowance		\$5,100	\$5,304
Light Fixtures, Replace		\$37,800	\$39,312
Kneewall Repairs		\$44,000	\$45,760
Pool Deck Pavers, Replace		\$61,300	\$63,752
Railing, Sun Deck, Replace		\$4,600	\$4,784
Total Expenditures			<u>\$786,708</u>

Replacement Year	2021	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,113
Seal Coat Blacktop areas		\$9,600	\$10,176
Elliptical Fitness Equipment, Replace		\$5,100	\$5,406
AC Cooling Tower, Replace		\$261,200	\$276,872
Powdercoat Beachside Gates		\$2,200	\$2,332
Total Expenditures			<u>\$295,899</u>

Replacement Year	2022	Current Cost	Future Cost
Recycling Containers, Replace		\$9,000	\$9,720
Annual Reserve Study		\$1,050	\$1,134
Office Flooring, Carpet, Replace		\$4,600	\$4,968
AC Equipment, Elevator Room, Replace		\$2,000	\$2,160
Expansion Tanks, Replace		\$4,400	\$4,752
Trash Containers, Replace		\$3,700	\$3,996
Fencing, Chain Link, Replace		\$13,200	\$14,256
Tennis/Pickle Court, Resurface		\$8,000	\$8,640
Roofing, South Garage Expansion Joint		\$56,200	\$60,696
Total Expenditures			<u>\$110,322</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2023	Current Cost	Future Cost
Re-Screen Allowance		\$5,000	\$5,500
Pool Equipment, Allowance		\$3,600	\$3,960
Annual Reserve Study		\$1,050	\$1,155
Seal Coat Blacktop areas		\$9,600	\$10,560
Treadmill, Replace		\$3,200	\$3,520
Roofing, North Garage, Reroof		\$90,200	\$99,220
Roofing, Tower, Reseal		\$1,800	\$1,980
Tiki Huts, Pool, Re-thatch		\$1,100	\$1,210
Painting, Exterior, Tower		\$227,800	\$250,580
Painting, Interior Common Areas		\$50,000	\$55,000
Canopy Fabric, Replace		\$31,100	\$34,210
Canopy Frames, Repair		\$5,600	\$6,160
Total Expenditures			<u>\$473,055</u>

Replacement Year	2024	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,176
Paving, Red Bomanite, Repair & Seal		\$15,200	\$17,024
Paving, Tan Bomanite, Waterblast & Stain		\$27,700	\$31,024
Roofing, North Garage, Reseal		\$9,600	\$10,752
North & South Garage, Repaint & Repair		\$30,400	\$34,048
Painting, #16 Parking Lot Light Poles		\$3,300	\$3,696
Tiki Huts, Bicycle Storage, Re-thatch		\$4,400	\$4,928
Kitchen Appliance Allowance		\$5,700	\$6,384
Golf Cart, Replace		\$4,200	\$4,704
Lobby Fountains, Replace Motors		\$3,800	\$4,256
Total Expenditures			<u>\$117,992</u>

Replacement Year	2025	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,197
Seal Coat Blacktop areas		\$9,600	\$10,944
Pool Equipment, Allowance		\$5,100	\$5,814
Roofing, Metal Panel, Reroof		\$111,000	\$126,540
Emergency Generator, Replace		\$60,100	\$68,514
Fire Pump, Replace		\$57,800	\$65,892
Beach Deck Walkover: Dream Deck		\$68,000	\$77,520
Pool Furniture, Replace		\$5,100	\$5,814
Total Expenditures			\$362,235

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2026	Current Cost	Future Cost
Recycling Containers, Replace		\$9,000	\$10,440
Annual Reserve Study		\$1,050	\$1,218
Re-paint Mansard/Portico Metal Roofing		\$20,200	\$23,432
AC Circulating Pumps, Replace		\$10,600	\$12,296
Fire Alarm Control Panel, Replace		\$38,900	\$45,124
Variable Frequency Drive, Replace		\$9,600	\$11,136
Pool & Spa, Retile		\$2,900	\$3,364
Total Expenditures			<u>\$107,010</u>
Replacement Year	2027	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,239
Seal Coat Blacktop areas		\$9,600	\$11,328
Treadmill, Replace		\$3,200	\$3,776
Key Fobs, Replace		\$9,300	\$10,974
Security Cameras & Equipment, Replace		\$4,700	\$5,546
BBQ Grills (2), Replace		\$2,700	\$3,186
Lobby Fountains, Pebblecoat		\$6,600	\$7,788
Tennis/Pickle Court, Resurface		\$8,000	\$9,440
Paving, Asphalt Overlay		\$120,000	\$141,600
Stairwells & Railing, Repaint		\$21,800	\$25,724
Management Office, Refurbish		\$4,600	\$5,428
Elevator Controls, Modernize		\$200,000	\$236,000
Recycling System, Replace		\$80,900	\$95,462
Tile Machine, Replace		\$8,000	\$9,440
Roll-Up Doors, Replace		\$7,300	\$8,614
Trash Chute Doors, Replace		\$16,300	\$19,234
Total Expenditures			<u>\$594,779</u>
Replacement Year	2028	Current Cost	Future Cost
AC Cooling Tower, Repair Allowance		\$5,000	\$6,000
Fire Sprinkler, Replacement Allowance		\$7,000	\$8,400
Pool & Spa Heaters, Replace		\$5,100	\$6,120
Re-Screen Allowance		\$5,000	\$6,000
Pool & Spa, Resurface		\$18,000	\$21,600
Pool Equipment, Allowance		\$3,600	\$4,320
Annual Reserve Study		\$1,050	\$1,260
Screened Balconies & Railing, Replace		\$209,200	\$251,040
Tiki Huts, Bicycle Storage, Re-thatch		\$4,400	\$5,280
Cardio Fitness Equipment, Replace		\$18,500	\$22,200
Powdercoat Beachside Gates		\$2,200	\$2,640
Elevator Cabs, Refurbish		\$12,600	\$15,120
Multi Gym, Replace		\$6,900	\$8,280
Domestic Water Pump, Replace		\$19,600	\$23,520
Ventilator Fans, North, Replace		\$3,000	\$3,600
Railing, Aluminum, Replace		\$9,700	\$11,640
Total Expenditures			<u>\$397,020</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2029	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,281
Paving, Red Bomanite, Repair & Seal		\$15,200	\$18,544
Paving, Tan Bomanite, Waterblast & Stain		\$27,700	\$33,794
Seal Coat Blacktop areas		\$9,600	\$11,712
Roofing, North Garage, Reseal		\$9,600	\$11,712
North & South Garage, Repaint & Repair		\$30,400	\$37,088
Painting, #16 Parking Lot Light Poles		\$3,300	\$4,026
AC Equipment, Maintenance Shop		\$1,400	\$1,708
Elliptical Fitness Equipment, Replace		\$5,100	\$6,222
Heat Exchanger, Replace		\$34,600	\$42,212
Front Entry Door Enterphone, Replace		\$4,400	\$5,368
Total Expenditures			<u>\$173,667</u>
Replacement Year	2030	Current Cost	Future Cost
Recycling Containers, Replace		\$9,000	\$11,160
Annual Reserve Study		\$1,050	\$1,302
Pool Equipment, Allowance		\$5,100	\$6,324
Office Flooring, Carpet, Replace		\$4,600	\$5,704
Painting, Exterior, Tower		\$227,800	\$282,472
Painting, Interior Common Areas		\$50,000	\$62,000
Canopy Fabric, Replace		\$31,100	\$38,564
Beach Deck & Railing, Replace		\$252,000	\$312,480
Flag Pole, Replace		\$2,600	\$3,224
Ice Machine, Replace		\$4,100	\$5,084
Light Poles, Replace		\$42,800	\$53,072
Total Expenditures			<u>\$781,386</u>
Replacement Year	2031	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,323
Seal Coat Blacktop areas		\$9,600	\$12,096
Treadmill, Replace		\$3,200	\$4,032
AC Equipment, Elevator Room, Replace		\$2,000	\$2,520
Tiki Huts, Pool, Re-thatch		\$1,100	\$1,386
Roofing, South Garage, Waterproof Membrane		\$233,300	\$293,958
Alarm Panel and Devices, Replace		\$23,100	\$29,106
Boiler, Replace		\$32,400	\$40,824
Tile Flooring, Replace		\$178,000	\$224,280
Total Expenditures			<u>\$609,525</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2032	Current Cost	Future Cost
AC Equipment, Office, Replace		\$7,345	\$9,402
AC Equipment, Pump Room, Replace		\$4,500	\$5,760
Drinking Fountains, Replace		\$2,400	\$3,072
Annual Reserve Study		\$1,050	\$1,344
Tiki Huts, Bicycle Storage, Re-thatch		\$4,400	\$5,632
Expansion Tanks, Replace		\$4,400	\$5,632
Trash Containers, Replace		\$3,700	\$4,736
Tennis/Pickle Court, Resurface		\$8,000	\$10,240
Golf Cart, Replace		\$4,200	\$5,376
Lobby Fountains, Replace Motors		\$3,800	\$4,864
Front Entry Shrubs		\$3,500	\$4,480
Roofing, South Garage Expansion Joint		\$56,200	\$71,936
Total Expenditures			<u>\$132,474</u>
Replacement Year	2033	Current Cost	Future Cost
Re-Screen Allowance		\$5,000	\$6,500
Pool Equipment, Allowance		\$3,600	\$4,680
Annual Reserve Study		\$1,050	\$1,365
Seal Coat Blacktop areas		\$9,600	\$12,480
Re-paint Mansard/Portico Metal Roofing		\$20,200	\$26,260
AC Equipment, Exercise Room, Replace		\$7,800	\$10,140
AC Equipment, Fitness Room, Replace		\$7,900	\$10,270
AC Equipment, Lobby, Replace		\$12,900	\$16,770
AC Equipment, Social Room, Replace		\$6,400	\$8,320
Roofing, Tower, Reseal		\$1,800	\$2,340
Pool Furniture, Replace		\$5,100	\$6,630
Office Windows & Doors, Replace		\$7,900	\$10,270
Fire Speaker System, Upgrade		\$50,400	\$65,520
Total Expenditures			<u>\$181,545</u>
Replacement Year	2034	Current Cost	Future Cost
Recycling Containers, Replace		\$9,000	\$11,880
Annual Reserve Study		\$1,050	\$1,386
Paving, Red Bomanite, Repair & Seal		\$15,200	\$20,064
Paving, Tan Bomanite, Waterblast & Stain		\$27,700	\$36,564
Roofing, North Garage, Reseal		\$9,600	\$12,672
North & South Garage, Repaint & Repair		\$30,400	\$40,128
Painting, #16 Parking Lot Light Poles		\$3,300	\$4,356
Fencing, Pool, Replace		\$9,100	\$12,012
Roofing, Parapet Repairs		\$16,200	\$21,384
Social Room, Refurbish		\$69,400	\$91,608
Front Entry Doors and Jambs		\$18,500	\$24,420
Total Expenditures			<u>\$276,474</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2035	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,407
Seal Coat Blacktop areas		\$9,600	\$12,864
Treadmill, Replace		\$3,200	\$4,288
Key Fobs, Replace		\$9,300	\$12,462
Security Cameras & Equipment, Replace		\$4,700	\$6,298
BBQ Grills (2), Replace		\$2,700	\$3,618
Lobby Fountains, Pebblecoat		\$6,600	\$8,844
Roofing, Tower, Bitumen, Replace		\$246,200	\$329,908
Pool Equipment, Allowance		\$5,100	\$6,834
Powdercoat Beachside Gates		\$2,200	\$2,948
Dunewalk, Replace Decking & Rails		\$39,300	\$52,662
Total Expenditures			<u>\$442,133</u>

Replacement Year	2036	Current Cost	Future Cost
Renovate Lobby		\$50,000	\$68,000
Annual Reserve Study		\$1,050	\$1,428
Tiki Huts, Bicycle Storage, Re-thatch		\$4,400	\$5,984
Cardio Fitness Equipment, Replace		\$18,500	\$25,160
Kitchen Appliance Allowance		\$5,700	\$7,752
Fire Alarm Control Panel, Replace		\$38,900	\$52,904
Restrooms, Pool Renovate		\$10,200	\$13,872
Lanai Screen Repairs w/ Swingstage		\$37,700	\$51,272
Total Expenditures			<u>\$226,372</u>

Replacement Year	2037	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,449
Seal Coat Blacktop areas		\$9,600	\$13,248
Screened Balconies & Railing, Replace		\$209,200	\$288,696
Elliptical Fitness Equipment, Replace		\$5,100	\$7,038
Tennis/Pickle Court, Resurface		\$8,000	\$11,040
Painting, Exterior, Tower		\$227,800	\$314,364
Painting, Interior Common Areas		\$50,000	\$69,000
Canopy Fabric, Replace		\$31,100	\$42,918
Fire Hydrant, Replace 2 of 4		\$9,000	\$12,420
Total Expenditures			<u>\$760,173</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2038	Current Cost	Future Cost
AC Cooling Tower, Repair Allowance		\$5,000	\$7,000
Fire Sprinkler, Replacement Allowance		\$7,000	\$9,800
Pool & Spa Heaters, Replace		\$5,100	\$7,140
Recycling Containers, Replace		\$9,000	\$12,600
Re-Screen Allowance		\$5,000	\$7,000
Pool & Spa, Resurface		\$18,000	\$25,200
Pool Equipment, Allowance		\$3,600	\$5,040
Annual Reserve Study		\$1,050	\$1,470
AC Equipment, Maintenance Shop		\$1,400	\$1,960
Office Flooring, Carpet, Replace		\$4,600	\$6,440
Roofing, North Garage, Reroof		\$90,200	<u>\$126,280</u>
Total Expenditures			<u>\$209,930</u>
Replacement Year	2039	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,491
Paving, Red Bomanite, Repair & Seal		\$15,200	\$21,584
Paving, Tan Bomanite, Waterblast & Stain		\$27,700	\$39,334
Seal Coat Blacktop areas		\$9,600	\$13,632
Roofing, North Garage, Reseal		\$9,600	\$13,632
North & South Garage, Repaint & Repair		\$30,400	\$43,168
Painting, #16 Parking Lot Light Poles		\$3,300	\$4,686
Treadmill, Replace		\$3,200	\$4,544
Tiki Huts, Pool, Re-thatch		\$1,100	\$1,562
Tile Machine, Replace		\$8,000	<u>\$11,360</u>
Total Expenditures			<u>\$154,993</u>
Replacement Year	2040	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,512
Re-paint Mansard/Portico Metal Roofing		\$20,200	\$29,088
Tiki Huts, Bicycle Storage, Re-thatch		\$4,400	\$6,336
Fire Detection System, Upgrade		\$117,900	\$169,776
Pool Equipment, Allowance		\$5,100	\$7,344
Kneewall Repairs		\$44,000	\$63,360
Pool Deck Pavers, Replace		\$61,300	\$88,272
Railing, Sun Deck, Replace		\$4,600	\$6,624
AC Equipment, Elevator Room, Replace		\$2,000	\$2,880
Golf Cart, Replace		\$4,200	\$6,048
Lobby Fountains, Replace Motors		\$3,800	\$5,472
AC Circulating Pumps, Replace		\$10,600	\$15,264
Variable Frequency Drive, Replace		\$9,600	<u>\$13,824</u>
Total Expenditures			<u>\$415,800</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2041	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,533
Seal Coat Blacktop areas		\$9,600	\$14,016
AC Cooling Tower, Replace		\$261,200	\$381,352
Pool Furniture, Replace		\$5,100	\$7,446
Stairwells & Railing, Repaint		\$21,800	\$31,828
Fire Hydrants, Replace 2 of 4		\$9,000	<u>\$13,140</u>
Total Expenditures			\$449,315
Replacement Year	2042	Current Cost	Future Cost
Recycling Containers, Replace		\$9,000	\$13,320
Annual Reserve Study		\$1,050	\$1,554
Powdercoat Beachside Gates		\$2,200	\$3,256
Expansion Tanks, Replace		\$4,400	\$6,512
Trash Containers, Replace		\$3,700	\$5,476
Tennis/Pickle Court, Resurface		\$8,000	\$11,840
Brick Pavers, South Garage, Replace		\$8,000	\$11,840
Roofing, South Garage Expansion Joint		\$56,200	<u>\$83,176</u>
Total Expenditures			\$136,974
Replacement Year	2043	Current Cost	Future Cost
Re-Screen Allowance		\$5,000	\$7,500
Pool Equipment, Allowance		\$3,600	\$5,400
Annual Reserve Study		\$1,050	\$1,575
Seal Coat Blacktop areas		\$9,600	\$14,400
Treadmill, Replace		\$3,200	\$4,800
Key Fobs, Replace		\$9,300	\$13,950
Security Cameras & Equipment, Replace		\$4,700	\$7,050
BBQ Grills (2), Replace		\$2,700	\$4,050
Lobby Fountains, Pebblecoat		\$6,600	\$9,900
Roofing, Tower, Reseal		\$1,800	\$2,700
Front Entry Door Enterphone, Replace		\$4,400	<u>\$6,600</u>
Total Expenditures			\$77,925

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2044	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,596
Paving, Red Bomanite, Repair & Seal		\$15,200	\$23,104
Paving, Tan Bomanite, Waterblast & Stain		\$27,700	\$42,104
Roofing, North Garage, Reseal		\$9,600	\$14,592
North & South Garage, Repaint & Repair		\$30,400	\$46,208
Painting, #16 Parking Lot Light Poles		\$3,300	\$5,016
Tiki Huts, Bicycle Storage, Re-thatch		\$4,400	\$6,688
Cardio Fitness Equipment, Replace		\$18,500	\$28,120
Fencing, Chain Link, Replace		\$13,200	\$20,064
Painting, Exterior, Tower		\$227,800	\$346,256
Painting, Interior Common Areas		\$50,000	\$76,000
Canopy Fabric, Replace		\$31,100	\$47,272
Canopy Frames, Repair		\$5,600	\$8,512
Multi Gym, Replace		\$6,900	\$10,488
Total Expenditures			<u>\$676,020</u>

Replacement Year	2045	Current Cost	Future Cost
Cast Iron/Fire Pipes, Replace		\$50,000	\$77,000
Annual Reserve Study		\$1,050	\$1,617
Seal Coat Blacktop areas		\$9,600	\$14,784
Pool Equipment, Allowance		\$5,100	\$7,854
Elliptical Fitness Equipment, Replace		\$5,100	\$7,854
Beach Deck Walkover: Dream Deck		\$68,000	\$104,720
Beach Deck & Railing, Replace		\$252,000	\$388,080
Ice Machine, Replace		\$4,100	\$6,314
Elevator Doors, Replace 50%		\$106,300	\$163,702
Hallway Concrete/Tile Repairs		\$11,300	\$17,402
Pool House Slab Repairs		\$14,700	\$22,638
Total Expenditures			<u>\$811,965</u>

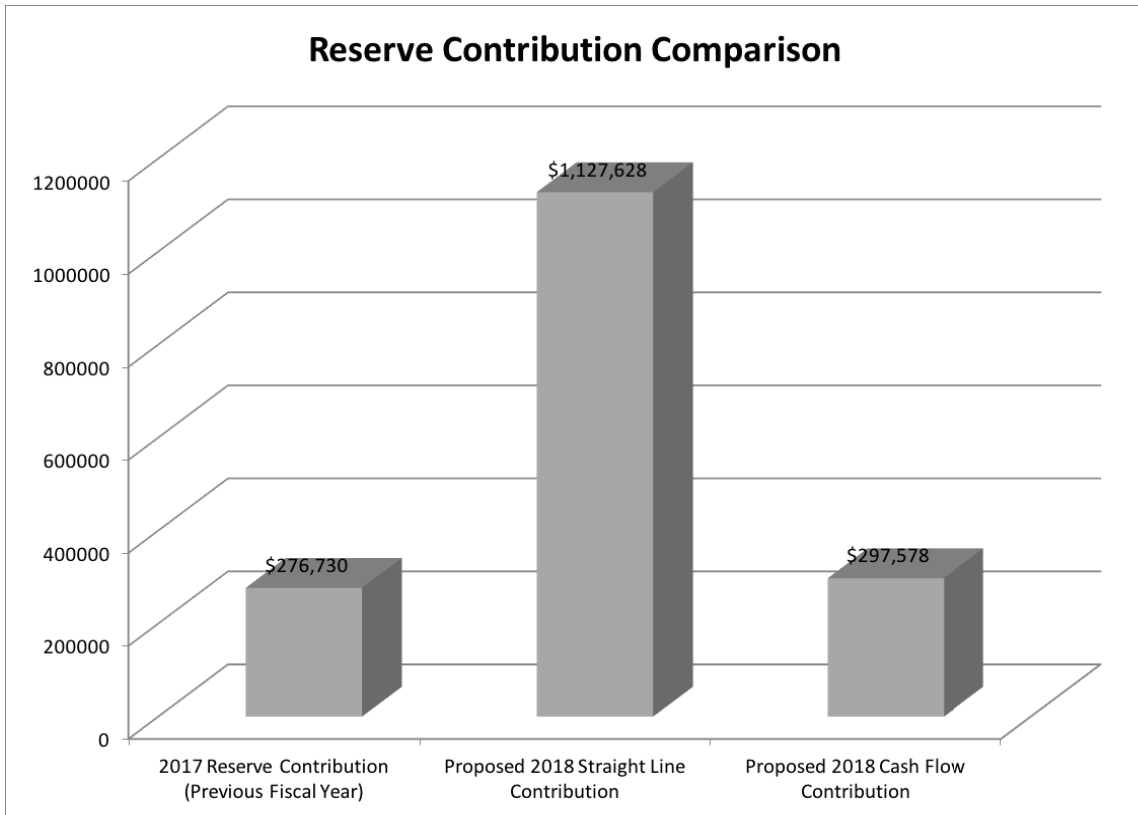
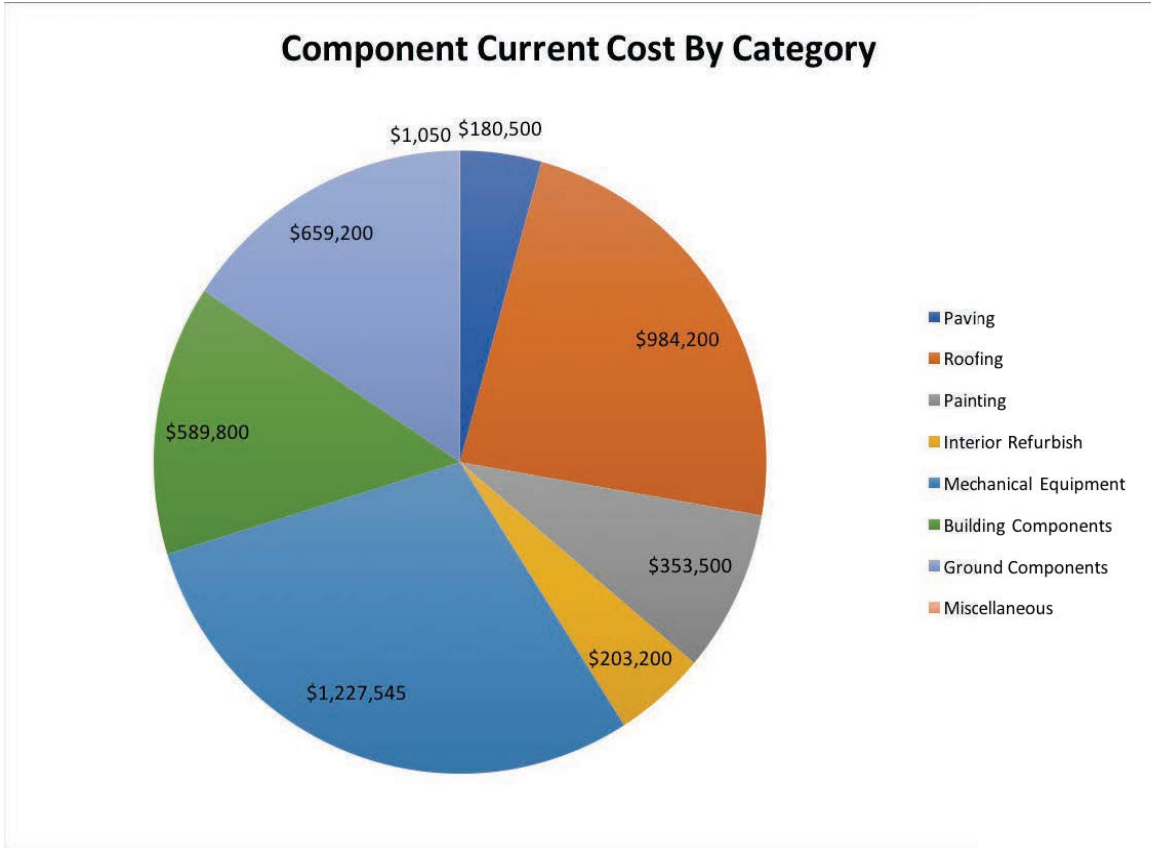
Replacement Year	2046	Current Cost	Future Cost
AC Equipment, Office, Replace		\$7,345	\$11,458
AC Equipment, Pump Room, Replace		\$4,500	\$7,020
Recycling Containers, Replace		\$9,000	\$14,040
Drinking Fountains, Replace		\$2,400	\$3,744
Annual Reserve Study		\$1,050	\$1,638
Screened Balconies & Railing, Replace		\$209,200	\$326,352
Light Fixtures, Replace		\$37,800	\$58,968
Office Flooring, Carpet, Replace		\$4,600	\$7,176
Fire Alarm Control Panel, Replace		\$38,900	\$60,684
Pool & Spa, Retile		\$2,900	\$4,524
Ventilator Fans, North, Replace		\$3,000	\$4,680
Roofing, South Garage, Waterproof Membrane		\$233,300	\$363,948
Total Expenditures			<u>\$864,232</u>

YEAR-BY-YEAR EXPENDITURES

Replacement Year	2047	Current Cost	Future Cost
Annual Reserve Study		\$1,050	\$1,659
Seal Coat Blacktop areas		\$9,600	\$15,168
Re-paint Mansard/Portico Metal Roofing		\$20,200	\$31,916
Treadmill, Replace		\$3,200	\$5,056
AC Equipment, Exercise Room, Replace		\$7,800	\$12,324
AC Equipment, Fitness Room, Replace		\$7,900	\$12,482
AC Equipment, Lobby, Replace		\$12,900	\$20,382
AC Equipment, Social Room, Replace		\$6,400	\$10,112
AC Equipment, Maintenance Shop		\$1,400	\$2,212
Tennis/Pickle Court, Resurface		\$8,000	\$12,640
Tiki Huts, Pool, Re-thatch		\$1,100	\$1,738
Paving, Asphalt Overlay		\$120,000	\$189,600
Management Office, Refurbish		\$4,600	\$7,268
Recycling System, Replace		\$80,900	\$127,822
Roll-Up Doors, Replace		\$7,300	\$11,534
Trash Chute Doors, Replace		\$16,300	\$25,754
Total Expenditures			<u>\$487,667</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.

LCAM RESOURCES

Thank You

We truly appreciate you allowing LCAM Resources the opportunity to serve you, and hope that you have been pleased 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!

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Reserve Studies & Insurance Appraisals

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