

2024 “Traditional” RESERVE STUDY

FOR

Wellington Shores Association, Inc.

Wellington Shores Drive, Wellington, Florida 33449

Budget Year: 2025



*J. R. Frazer, Inc. * 125 South State Road 7 – suite: 104/197, Wellington, Florida 33414 * Ph#: 561-488-3012 * JRFrazerENT@aol.com*

TABLE OF CONTENTS

1. Narrative Section (A pages)

- Introduction
- Purpose of Reserves
- Navigating & Understanding this Report
- General Analyst Recommendation
- Special Notes & Financial Notes

2. Reserve Summary (B1 page)

- includes the total(s) and grand total(s) for all main reserve categories
- provides the total Reserve Replacement Cost, Normal Annual Contribution, Current Reserve Requirement, Association/Coop's Current Reserve Balance, and Next Budget Year's Fully Funding Reserve Contribution

3. Reserve Forecast (B2 & B3 & B4 pages)

- provides the association/Coop's current year's reserve annual contribution and the future reserve fully funding annual contribution for the next 20 years

4. Reserve Analysis (C pages)

- this section includes the detailed field and desktop work completed by the reserve analyst/specialist for each reserve category
- provides an in-depth, line-by-line reserve components/assets for each reserve category
- note: each reserve component item will have the quantity of units used, unit cost, replacement cost, normal life, remaining life, normal annual contribution and the current reserve requirement for each specific component item

5. Reserve Funding Analysis (D pages)

- this section includes the cash flow analysis of the normal annual reserve contribution to be collected each year against the annual reserve expenditures incurred on a yearly basis for the next 20 years
- the analysis will show your estimated fund balance for the next 20 years based on the cash flow method of funding and how we have added any reserve fund deficit amount(s) to your normal annual contribution that might be created over the next 20 years
- this section will show why and when a reserve fund deficit amount is created (deficit amounts that are added will be shown in blue text)
- Note: the new yearly contribution calculated/stated in this section is also provided on the B2-B4 summary page of this report

6. Photos of Component Items

7. Association/Cooperative Financials

8. Definition for Reserve Names & Contractor's List

9. Florida Statutes

RESERVE STUDY REPORT
Wellington Shores Association, Inc.
Wellington Shores Drive, Wellington, Florida 33449
Date of Site Visit: January 18th, 2024
Budget Year: January 1st, 2025



PURPOSE OF THE FULL RESERVE STUDY:

To provide the basis for the necessary funding to repair and replace those reserve components/assets which are the Association's responsibility.

SCOPE OF THE FULL RESERVE STUDY:

Identify and examine specific components for all the reserve category needs and use the "Cash Flow" method with "Pooled Reserves" for future reserve financial analysis. This report is a "reserve study update which includes a site visit". This association has 181 residential homes, 1 clubhouse, and 1 guardhouse. Included in this reserve study are the following categories: Roofing, Painting, Paving, Pool, Clubhouse, Guardhouse & Equipment, Tennis/Pickleball Courts, Replace & Restoration, Irrigation Pump Stations, and Drainage. The Study will quantify the individual components in each reserve category by actual field measurements and a visual review of asset items where possible. Establish current cost estimates for replacement using Marshall & Swift Valuation Service, Means Building Construction Cost Data, Trade Service Electrical Price Guide, J. R. Frazer collected proprietary costs, and local contractors. Identify the useful life expectancy for each component. Estimate each component's remaining useful life through non-destructive methods. Calculate the normal annual contribution over the useful life expectancy. Establish the current Fully Funded Balance (Total Accrued Depreciation). Complete the reserve funding financial analysis using the threshold funding goal and make calculations to amortize any cash flow deficits over the twenty-year analysis. The Study will also adjust the normal annual contributions to include amortized deficit funding, if needed, to meet all anticipated expenditures over the next twenty years. The Reserve Study reflects information provided by your association and assembled for the association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records.

CERTIFICATION:

I hereby certify that I have no interest in the property, present or contemplated, and that neither the assignment to complete this study nor the fee derived there from is contingent upon its results. "Joshua Jay" has personally conducted an on-site visit of the association in conjunction with Sundeep Jay who has also reviewed the final report, unless otherwise noted in the report, and to the best of my knowledge and belief, all statements and data in this report are true, subject to any contingent limiting conditions noted herein. This report is furnished at your request in strict confidence by us as your agent for your exclusive use. The report is not to be construed as a guarantee or warranty, expressed or implied, of the property or the equipment therein or of their fitness for a particular purpose. This report is made under the guidelines of the American Institute of Certified Public Accountants, the Community Associations Institute guidelines, and the Professional Reserve Specialists Code of ethics.

A handwritten signature in blue ink, appearing to read "Joshua Jay", written over a horizontal line.

Joshua S. Jay – Reserve Analyst

INTRODUCTION

To have a better understanding of the scope of this report, the purpose of reserves, and to help incorporate the figures into your budget, we recommend reading the entire narrative section of the report. The narrative section is the “A” pages of this report.

J. R. FRAZER, INC. (Reserve Studies and Valuation Services) was retained by the Association to prepare a reserve study of the common areas for the purpose of developing a repair, maintenance, and replacement needs plan for the association’s long-term components/assets. The “Reserve Study update with site visit” was completed by Joshua Jay - reserve analyst and reviewed by Sundeep J. Jay - senior reserve specialist/PRA certified.

This report is prepared as a budgeting tool to assist the association in its long-range financial planning. Its use for any other purpose is not appropriate. The visual observations made do NOT constitute an “Engineering Inspection” and are not detailed enough to be relied upon, nor should they be relied upon to determine building ordinances, local/state codes, safety of the building, soundness of the structure, and or habitability of any building and or structure related to any individual components.

For HOA communities, reserves are either “statutory (mandatory)” or “non-statutory (voluntary)”. Statutory reserves are created either by a majority vote of its members to create reserve funds or they are mandated by the HOA’s governing docs. If they are mandatory, the association should know or research what specific components/assets were included for reserving purposes. The board/association can still elect to create/fund new categories to be fiscally responsible without a vote of its members. This association’s board feels it is prudent and fiducially incumbent upon them to have a Reserve Study and accordingly has elected to engage an independent analyst/specialist to prepare a reserve schedule for inclusion in the association’s budget. This reserve study includes multiple components/assets within each reserve category with a twenty-year cash flow analysis. J. R. Frazer has completed a full reserve study including all components/assets without taking into consideration whether a reserve item is statutory and or non-statutory. These items are owned by the association and the association has a fiduciary duty to maintain these assets. By annually contributing to reserves, the community reduces the likelihood of present/future special assessments.

This study uses the “**Pooled Reserves**” which is the funding for multiple categories/assets which are combined into one general account in the Reserve Funding Analysis section of the report, from which you pay all expenses.

There are 3 types of Funding Goals – Baseline Funding, Threshold Funding, and Full Funding. The explanation for each of the funding types is in the back of this reserve study under definitions. **This reserve study uses the Threshold Funding Goal which establishes an annual reserve funding goal of keeping the year-end reserve balance above a specified dollar amount over a period of 30 years.** This minimum reserve amount is derived by taking approximately 10% of the association’s annual operating revenues and or the annual operating expenses (whichever the reserve analyst deems appropriate). As we calculate the reserve funding analysis on the D pages of this report, we will ensure that the year-end reserve balance never falls below the minimum threshold of 10% of the current year’s annual operating revenues/expenses over the next 30 years. In some cases, we may use a lower or higher amount depending upon the association’s current financial situation. The board may, at any time, decide to increase the minimum threshold to an amount that is more conservative and financially responsible.

The financial analysis uses the cash flow method to determine the financial needs of the association. This analysis further takes into consideration all the components/assets which are then combined into one general account from which all expenses are paid (pooled reserves) to create a twenty-year cash flow analysis above a minimum threshold while meeting the association reserve obligations. The physical analysis data includes those components that are included on the C pages of the reserve study. Each reserve component item used in this reserve study uses the straight-line funding calculation by obtaining the quantity of units, calculating the replacement costs, establishing a normal/useful life, and estimating the remaining useful life of each component item. The information is gathered through the on-site visit (or prior on-site visits), independent research, reviewing existing maintenance records, association’s management, and verification of actual historical replacement cost of the components.

Since inflation cannot be accurately predicted, replacement costs herein are at current construction cost. Inflation is taken into consideration when reserve study updates are ordered. If your association does not order annual reserve study updates, we recommend adding 3% to 5% to every year’s annual reserve contribution until the next reserve study update is ordered.

The reserve program is designed to provide all or part of the funds necessary to pay for maintaining, repairing, and replacing the capital improvements of the Association. Not every circumstance can be accounted for future loss possibilities such as catastrophic disasters. At the request of the board, this reserve study may include reserves for uninsurable losses due to a catastrophe. These losses may be caused by flooding, lightning, hurricanes, tornados, or un-named windstorms and may include damage to such uninsurable items. These items are not common to a reserve study because the replacement costs, useful life, and remaining life cannot be determined. Other items where the replacement costs, useful life and more specifically the remaining life cannot be reasonably determined are Landscaping Reserves, Storm Clean-up Reserves, Lakeshore Restoration, and Underground Drainage & Irrigation Piping Systems. If any of these items are included into this reserve study upon the request from the association and

or the property manager, we recommend contacting the association's CPA to evaluate any tax consequences. The replacement costs, useful life and remaining life has been derived from the association and or the property manager's past experiences. These reserve items will be re-evaluated on every future reserve update to help calculate and obtain reasonable cost estimates and time frames.

This report is not an inspection report, safety inspection report, or an engineering report. No destructive testing is completed. A Reserve Study is a budgeting tool used to assist the board to arrive at a fully funding annual contribution amount. The association should hire the services of engineers on a periodic basis to help evaluate some of the association's larger components/asset items such as the roofing system, building concrete, structural components, mechanical items, seawalls, etc.

Code changes, "pre-maturely" structural failing items, construction defects, upgrades, surprises, sudden technological changes, and builder defects are not a part of this reserve study. These items, if encountered, may require special assessments and or a bank loan.

PURPOSE OF RESERVES

Reserves are monies budgeted, collected, and set aside for components/asset replacements or deferred maintenance. The establishment of reserve accounts begins with the developer and or the board who has a fiduciary responsibility for the establishment of an association's budget. With the assistance of this report or a prior reserve study, the board will or has established the reserve accounts for the future replacements or deferred maintenance of the common area assets.

Without adequate reserves, owners may be subject to either special assessments or the association may not be able to repair or replace the common area assets. Reserve funds enable an association to maintain the common areas by reducing the risk of special assessments and thereby minimizing the impact of financial challenges to the unit owners. The establishment of "fully funding" annual reserve contributions accomplish the following:

- Establishes and preserves reserves for a strong financial position to meet future expenditures.
- Reserves reduce the probability for special assessments.
- It allows for the replacement/maintenance of the items listed on the C pages of this report over a period of 30 years according to the remaining life estimated.
- All owners share the expenses of the association "equally/equitable" by paying their fair share of the cost while living in the association.

Reserve funding is for TODAY'S component/asset depreciation collected either monthly, quarterly, semi-annually, or annually. Every day the sun and wind are decomposing the roof and building, friction is wearing down the elevators, and car tires and nature are cracking the asphalt. The daily depreciation will eventually require the replacement or maintenance of these assets.

Adequate funding is the key to reserves. Just having reserve funds does not make an associations' financial future strong. Reserves should be set at an annual goal of 100% funding. A proper asset funding plan is the same for all condominiums, cooperatives, homeowner associations, and various other types of associations.

By annually fully funding reserves, the association will have the monies set aside to pay and replace the components/asset items

listed on the C pages of this report based on the estimated remaining lives of each of the assets. There will be cost variances when it comes time to have the component items replaced/maintained due to inflation, code changes, and or upgrades. At the time of replacement, the association should obtain 3 bids from various vendors and accordingly choose a vendor that will best accomplish the goals of the association.

This report does not assist in reducing and or bridging the gap between the Fully Funded Balance/Total Accrued Depreciation and the Association's Current Reserve Balance as stated on the B1 page of this report. The association can elect to close this deficit gap through a special assessment. This report "does assist" in providing the funds necessary to pay for all component replacements over a period of 30 years provided the association is 100% contributing towards their annual reserve contributions.

NAVIGATING & UNDERSTANDING THIS REPORT

Reserve Summary Section – (B1 & B2 pages):

This section summarizes the entire report providing the grand total for the Current Replacement Cost, Normal Annual Contribution, Fully Funded Balance (Total Accrued Depreciation), Association’s Current Reserve “Fund Balance,” Fund Deficit, and the Contribution needed for future years. For definitions of terminology, such as Fully Funded Balance, please see “Definitions” section located at the end of this report.

The Normal Annual Contribution (stated on page B1) versus the Fully Funding Annual Contributions (stated on the B2 page) for either next year or future years might be different depending upon your current reserve balance and expenses related to projects that will materialize over the next 1 to 30 years. The Annual Contributions stated on the B2 page will be higher if there is a deficit in your reserve balance over the next 30 years. The annual contributions stated on page B2 and B3 of the report are the State of Florida required fully funding annual reserve contribution amounts.

The Normal/Useful Life and Remaining Life on the Reserve Summary page are “averages” of life. The actual Useful Life and Remaining Life for each individual reserve component are contained in the Reserve Analysis section (C pages). Do not consider the useful life and remaining life of any single reserve category from page B1 – it is an average and not specific. For example, in Paving, the sidewalk will have a useful life of 50 to 60 years while the asphalt will only have a useful life of 20 years.

The Summary page B2 provides the association’s current year contribution and the newly calculated Fully Funding Annual Contribution for the next 30 years adding in any deficit amounts that “might” have occurred in the funding analysis located on the D pages of this report. On page B2, we have added the normal annual contribution with any deficit amounts (if applicable) that were needed to maintain a positive balance (minimum threshold) in your reserve account.

The payments listed on page B2 are the recommended fully funding annual contribution amounts.

Reserve Analysis Section - (C pages):

This section provides a detailed breakdown of all component items (assets) into each major reserve category listed from page B1. All reserve component items are further broken down to provide the number of units (measurements), individual unit cost, useful

life, estimated remaining life, annual contribution for that component item and the Fully Funded Balance/Total Accrued Depreciation. Information gathered from the on-site visit (or prior on-site visit) along with information received by your association is in this section of the report.

The unit of measurement used throughout the report is square feet and or unit counts (such as the number of light poles in the parking lot). If the measurement is anything different, then on the C pages of the report, it will be stated with the component line item as “lf” (linear feet), “sy” (square yards). Linear feet measurements are usually found with fencing, railings, and curbs. Square yards are usually found with asphalt and carpeting.

Please keep in mind when reviewing the C pages of this report that any component items with a remaining life of 1 year is due to be replaced during the next budget year. In some cases, depending upon the condition of the asset, it may require replacement and or maintenance in the current year.

Reserve Funding Analysis – (D pages):

In this section, broken down year by year for the next 30 years, are all the annual reserve expenses, annual reserve contributions, beginning and year-end reserve balances. It is in this section under “amortized deficit” that will show the additional deficit contribution needed (if applicable) to the Normal Annual Contribution to maintain a positive balance in the reserve account. The amortized deficit column can vary year by year. In any given year, if the association’s reserve fund balance falls below the minimum threshold fund balance (i.e., \$5,000 - \$50,000) an amount is added to bring the fund balance to the stated minimum threshold amount. This deficit amount is then equally divided into the preceding years hence not creating a burden in any 1 particular year. To further clarify..., if the minimum threshold fund balance is \$5,000 and then in year 5 the association’s fund balance is a negative \$1,500, then \$6,500 will be needed to bring the fund balance to \$5,000. This \$6,500 deficit will then be divided by the 5 preceding years adding \$1,300 a year to the normal annual contribution.

The minimum threshold is set at approximately 10% of the association’s operating revenues or expenses, but this amount can be lower or higher depending upon the discretion of the reserve analyst.

Photo Section:

This section provides photographs of most of the component items listed in this reserve study – but not all. It does not provide

photographs of problem areas, though they may be observable in the photographs – such as cracking on the asphalt paving.

Financial & Other Documentation:

This section provides some of the information your association has provided to us to prepare this report. It includes items such as the association's Balance Sheet, Profit & Loss Statements, and Budget Statements.

Definitions and Consulting Contractors:

This section provides the definition of terms that are used in this report to better help the reader understand the terminology used in this report.

Also, in this section are the names and phone numbers of contractors that our company has gathered over the last 25 years. We cannot guarantee their workmanship, nor do we have a preference to any one contractor. We recommend interviewing at least 3 contractors and obtaining a copy of their license(s) and insurance prior to signing any agreements. Please contact our office if your experience with any of the contractors is less than professional. We do not gain from your use of these contractors, and we also do not want to promote their business if their business practices are not professional. They will be removed from our list.

This section also includes the Florida Statutes related to homeowner association reserve funding and budgeting.

GENERAL ANALYST RECOMMENDATIONS

1. We recommend making the stated annual contributions on the B2 page of this report. The contribution is made up of the Normal Annual Contribution plus a required amortized deficit amount (if applicable) to meet anticipated cash flows over the next twenty years. By funding the recommended contributions using the cash flow funding method, the Association should be able to pay future reserve expenditures over the next 30 years with adequate contributions from the reserve funds.

The Normal Annual Contribution represents the replacement cost divided by the number of years of normal/useful life.

2. We recommend the income generated within the reserves remain in the reserves. Our financial analysis indicates interest generated by reserve funds will help offset a small portion of inflation cost. This system of compounding interest allows the Association to control some reserve increases but should be updated at a minimum of every 1 to 2 years. This report does not consider future interest earned on the bank reserve balance for 3 reasons. Firstly, interest earned on the reserve balance can vary on an annual basis. Secondly, we consider the interest in helping bridge the difference between the Fully Funded Balance/Total Accrued Depreciation and the actual Current Reserve Balance. Thirdly, it helps offset a small portion of future inflation. If reserve study updates are not ordered annually, we recommend associations to make inflationary adjustments to their future annual contributions.

3. The association's current reserve schedule may not have been complete in identifying all the needs of the association. We may have added components and recommend the association reserve for all components in this reserve study. In some cases, we might have combined certain reserve categories to help simplify and or improve budgeting methods. If there are components/assets items that might have been omitted from the reserve schedule and the association wishes to have these items included, please contact our office for a revised copy of the report.

4. All expenditures are based upon a cash flow analysis with pooled reserves to meet expenses. This allows all funds in each reserve category to be used for paying any appropriate component(s) which may suddenly and unexpectedly need to be repaired or replaced. We strongly recommend annual updates of the reserve study to maintain adequate funding levels.

5. When undertaking large projects, the reserve study should be used to compare the costs stated in the report with the actual costs on the contract. Accordingly, the association should either special assess the difference and or adjust the future years reserve

contributions to help fund the costs differences. This will typically apply for major interior renovation projects, concrete restoration projects, and or mechanical change outs where code changes may be applicable.

6. Annually, the association should compare the reserve balances budgeted on the last column of the D pages of this report with the association's current balance sheet and or current bank statement. Any major differences should be accounted for and adjusted into future reserve contributions. If there are large differences, the association should update their reserve study.

7. There will be times when natural disasters such as floods, hurricanes, and windstorms can cause considerable damage to uninsurable property. A policy of special assessments should be considered and adopted by the board to help fund for these unforeseeable events.

8. Special assessments, even with fully funding reserves annually, may still be required under certain circumstances. The following are some, but not all, circumstances where the costs may exceed the amounts stated in this report.

a. Mechanical Items (fire systems, elevators, generators, etc.)

Additional costs due to code changes, relocation of mechanical item(s), additional wiring and or piping needed, complete change out of the wiring and or the plumbing system, upgrades, technological changes, etc.

b. Concrete Repairs & Restoration

Additional costs due to unusual weather, prior poor workmanship, material defects, lack of ongoing maintenance, not properly sealing/painting the building within a reasonable time, aging conditions, excessive salt intrusion, etc.

c. Roofing Systems

Additional costs due to prolonging the replacement of the roofing system, code changes, unusual weather, prior material and or workmanship defects, settlement of the building causing the sloping of flat roofing system to redirect water away from the drains, damage to wood trusses, etc.

d. Paving/Asphalt

Additional costs due to tree root intrusion, additional subsurface work required, prolonging the asphalt project, drainage issues, etc.

e. Interior Renovations

Additional costs due to interior designer fees, moving of interior walls, upgrades, etc.

SPECIAL NOTES

Information supplied by the Association includes a copy of the 2023/2024 financial reports, a copy of the current reserve budget, and contracts/invoices. We may have also obtained verbal information from the association's management company regarding past and or future repairs and or replacements along with the timing of past replacements. All past and present information received by the association is deemed reliable for the purposes of this report. The actual or projected total presented in the Reserve Study is based upon information provided and was not audited.

As a result of the study, if the current reserve fund balance is less than the total accrued depreciation, you have a reserve fund deficit. If the fund balance is greater than the reserve requirement, you have a reserve fund overage.

When the association's current reserve fund balance is less than the current total accrued depreciation, additional funds MAY be added to the normal annual contribution if current funding levels will not meet the projected twenty-year cash flow analysis. This will allow the funding deficit to be paid down over a period of years within the twenty-year period.

As stated earlier, this report does not assist in reducing and or bridging the gap between the Fully Funded Balance/Total Accrued Depreciation and the Association's Current Reserve Balance as stated on the B1 page of this report. The association can elect to close this deficit gap through a special assessment. This report "does assist" in providing the funds necessary to pay for all component/asset replacements over a period of 30 years provided the association is 100% contributing towards their annual reserve contributions.

All funding deficits in this study are amortized into previous years (when applicable) based upon the cash flow analysis. This amortized deficit amount is added to the normal annual contribution yielding the new fully funding annual contribution amount. The goal is to meet anticipated reserve expenditures over the next twenty years without the reserve fund balance falling below the minimum threshold balance. **Additional funds over the Normal Annual Contribution ARE NOT needed for your association to meet minimal threshold funding requirements and anticipated expenditures.**

We do not add future inflation or interest earned on the association reserve bank balance. These items are difficult to predict and can mislead the user of the report. Instead, we use current costs with no inflation and no interest. In addition, depending upon how you decide to allocate future reserve funding, and whether you opt to fund at recommended levels, these decisions will also impact

the status of the reserve fund. To ensure continued adequate funding, we strongly recommend annual updates to adjust for increased cost, adjustments to estimated remaining life, reserve spending, and changes in your funding allocations. The only way to maintain accurate reserves and reduce the need for special assessments would be to update your reserve study annually.

This reserve study is not only based on estimated cost figures for replacement, but also an estimated time frame for the replacement of the association's components/assets. The useful life and remaining can adjust by a couple of years and most things will not be replaced unless it is broken, such as a gate operator, pool pump and or an air conditioning unit. Painting is probably the only item that an association can control and should maintain a planned course of action to have the association's buildings, walls, fences, etc. painted according to a set schedule based on your location. But for the purposes of this report, we have provided a roadmap that will help guide this association to meet future obligations without the reserve fund balance falling below the minimum threshold. As your association orders future updates, we will replace estimated market prices with actual amounts incurred by the association. We will also adjust either the useful life and or the remaining life of the component/asset depending upon how an asset is depreciating.

Please keep in mind while reviewing this reserve study that this is not a general inspection report, safety inspection report, or an engineering report. No destructive testing or sample gathering is completed during the on-site visit. The on-site visit should not be considered a project audit or quality inspection. Reserve studies are a budgeting tool for the replacement of the association's long-term components/assets. We have based our findings on the age of the building/association, information that has been provided by your association and obvious visual deterioration on components/assets seen during the on-site visit. It is the responsibility of the association to periodically hire the services of engineer(s) and or general contractor(s) on items such as building restoration, large mechanical items, elevators, seawalls, roofing structure, perimeter walls, roofing systems, drainage, etc. By completing this report, we hope to provide the association with a reasonable budget to have the funds in place to complete replacements of their long and short-term assets without having to "special" assess its members. Through the annual contributions stated in this report, we hope to reduce the possibility of future special assessments. Lastly, though we try to narrow down the remaining lives for the replacement of your components/assets, the variance can be as much as 5 (+/-) years. In some cases, such as seawalls, it can vary as much as 10-20 years.

FINANCIAL NOTES

This report has been prepared based on the cash flow method of reserve funding. The cash flow method begins with the current year's reserve balance and then calculates the funding balance based on the yearly reserve contributions coming in and expenses/money going out for the next 30 years. This report was prepared to always maintain a minimum reserve fund balance (minimum threshold) of \$72,000 for the next 30 years. To arrive at the year-end reserve fund balance, we take the beginning fund balance and minus the estimated component item expense(s) and then add the annual contribution we have stated on this report. On the D pages of this report, we show this calculation on a year-by-year basis starting in the year the report was ordered. While we are running the reserve analysis on the D pages of this report, if in one of those years, the reserve fund balance falls below the minimum threshold of \$72,000, we add more money to the annual contribution to stay at a minimum fund balance of \$72,000. This amount that is added to the normal annual contribution is called a fund deficit amount – highlighted in blue on the D pages of this report IF applicable to your association.

This association's financial strength is low with less than a 34% reserve level of funding. This association's reserves are approximately 17.5% funded. The percentage is derived by dividing the Association's Reserve Fund Balance of \$294,116 on December 31st, 2023, by the Fully Funded Balance/Total Accrued Depreciation stated on page B1 of this report. The association's risk of special assessments is high during any one yearly period. Associations that are less than 70% funded run the risk of reserve shortfalls, special assessments, and detrimental deferred maintenance.

This association is currently paying \$50,000 for their 2024 annual reserve contribution. Based on the calculations derived from this reserve study, the Normal Annual Reserve Contribution for 2025 through 2054 is \$118,910 annually. Please review the B2 page of this report to see future reserve contributions. Currently, deficit funding requirements are not needed. Please keep in mind that this reserve study does not take into consideration future inflation, unexpected mechanical/structural failing items, construction defects, components/assets that are neglected, upgrades, code changes, major interior renovations, and or the interest earned on the association's reserve balance.

The association should set a goal of collecting the recommended annual reserve contributions stated in this report to reduce the possibility of special assessments. We urge associations to be at least 50% to 70% funded to greatly reduce the risk of special assessments and or to reduce the likelihood of future deficit funding on future reserve updates.

J. R. Frazer, Inc. recommends an increase in the association's annual reserve contribution. The newly calculated annual reserve contribution is a more accurate reserve budget number which can benefit the entire association. This increased annual reserve contribution amount will allow the current owners to pay their fair share of today's component/asset depreciation of which assets will eventually require future maintenance & replacements.

ADDITIONAL NOTES

Fully funding reserves on an annual basis allows an association to "reduce" the possibility of current and or future special assessments. Fully funding reserves may still require special assessments due to unforeseen circumstances such as code changes, increase in project costs, upgrades/major renovations, and other circumstances that may arise in the future of an association. When collecting less than the annual fully funding reserve contribution, the association "greatly" increases the risk of special assessments.

While reviewing this report, keep in mind that the report is not calculated to close the gap between the Fully Funded Balance/Total Accrued Depreciation (reserves that should have been saved by the association) and the Current Reserve Funds held by the association as of the date of this report (see page B1). This report is prepared to help fund all the maintenance/replacements of components/assets listed on the C pages of this report over a period of 30 years.

The association can decide to fund the deficit by closing the gap between the Fully Funded Balance/Total Accrued Depreciation and the Current Reserve Fund Balance. They will need to determine whether they want to fund the difference with 1 special assessment and or spread it out over future years. Florida statutes do not require associations to close this gap, but to prepare a plan that will help fund future maintenance and or replacements of their components/assets over a period of 20 to 30 years.

According to Florida State Statutes, an annual "fully" funding reserve contribution does not require a vote amongst association members. A majority vote is required when an association decides to collect less than the annual "fully" contribution amount. For this reason, it is important that all association members vote to provide their input regarding either fully fund reserves and or fund less than the fully funding reserve contribution. Annual partial funding and or not funding reserves does not apply to Structural Integrity Reserve Studies. Structural Integrity Reserve Studies must be annually fully funding reserves.

Reasons associations collect less than fully funding reserve contributions may be due to unit owner budgeting constraints, competition in reserve dues with neighboring similar associations, and or the association may have just recently collected a large special assessment to complete a project. In either case, if the association chooses to collect less than what is stated in this report, the likelihood of future special assessments will increase.

LIMITATIONS, EXCEPTIONS, AND EXCLUSIONS

Section 1 – Site Visit.

The following are typically excluded from the “Site Visit”. Items excluded from the Site Visit are not necessarily excluded from the Physical Analysis or Financial Analysis.

- A. Systems or components of a building, or portions thereof, which are not Readily Accessible, or are excluded due to circumstances beyond the control of the Reserve Analyst or which the Client has agreed or specified to be excluded.
- B. Systems or components, or portions thereof, which are underground, underwater, or where the reserve analyst must encounter water.
- C. Determining compliance with manufacturers' installation guidelines or specifications, building codes, accessibility standards, conservation or energy standards, regulations, ordinances, covenants, or other restrictions.
- D. Structural, architectural, forensic, geological, environmental, hydrological, land surveying, or soil-related examinations.
- E. Acoustical or other nuisance characteristics of any system or component of a building, complex, adjoining property, or neighborhood.
- F. Conditions related to animals, insects, or other organisms, including fungus/mold, and any hazardous, illegal, or controlled substance, or the damage or health risks related items.
- G. Risks associated with events or conditions of nature including, but not limited to; geological, seismic, wildfire, and flood.
- H. Water testing any building, system, or component or determine leakage in shower pans, pools, spas, or any body of water.
- I. Differentiating between original construction or subsequent additions or modifications.
- J. Fire extinguishing and suppression systems and components or determining fire resistive qualities of materials or assemblies.
- K. Elevators, lifts, and dumbwaiters.
- L. Lighting pilot lights or activating or operating any system, component, or appliance that is shut down, unsafe to operate or does not respond to normal user controls.
- M. Operating shutoff valves or shutting down any system or component.
- N. Dismantling any system, structure, or component or removing access panels.

Section 2 – Physical Analysis.

The following are typically excluded from the “Physical Analysis”.

- A. Specifying repairs/replacement procedures or estimating cost to correct.
- B. Systems or components that typically experience an Extended Useful Life.
- C. Systems or components that do not have a predictable Remaining Useful Life.
- D. Systems or components that the client has advised the Reserve Analyst to omit from the Reserve Study.

- E. Systems or components provided for in whole under a maintenance contract.
- F. Systems or components provided for in whole within another part of the budget.
- G. Leased systems or components.
- H. Services of a legal nature including legal interpretations or opinions of any documents, maps, etc.

Section 3 – Financial Analysis

The following are typically excluded from the “Financial Analysis”.

- A. Expected rates of return on investments significantly beyond that of current savings rates.
- B. Expected settlements or monies owed or to be transferred to reserves before the final amount has been set and approved by the board.
- C. Limitations to increases of the reserve contribution or assessments from Governing Documents.
- D. Investment strategies or financial planning advice beyond that of the recommended reserve contribution.
- E. Auditing or other accounting services, Reserve Analyst shall assume financial information provided by the client or client’s representative is accurate.

CONDITIONS OF RESERVE STUDY

Unless otherwise stated, this evaluation is subject to the following conditions:

J. R. Frazer, a reserve specialty firm, has not formed a legal opinion as to what components may be included or are the responsibility of the association. We therefore assume no responsibility in the determination of which components and their related cost may be excluded from the reserve study application.

Information as to the association's responsibilities has been obtained from the client in discussions or a review of the documents. We make no guarantee nor assume liability for the accuracy of any data, financial statements or fund balances supplied by the client, opinions, or estimates as furnished by others that we used in formulating this evaluation. Any changes to our reports resulting from missing information or misinformation will be added to the report at an expense equal to our hourly fee rate.

The dimensions and quantities were gathered either by actual physical measurements, review of construction plans, or supplied by the association. All previous measurements and quantifications are deemed accurate for future use and updates.

Neither all nor any part of the contents of the association's reserve study report shall be conveyed to another reserve specialist, estimator, valuation person, or the public through advertising, news, or other media without the written consent and approval from J. R. Frazer, Inc. The report can be given to association members, banks for mortgage/financing purposes, and potential buyers that have signed a purchase contract with a seller of the association.

The valuation includes a description of the premises. Our assessment of the physical condition of the improvements described within has been based upon visual observation without destructive intrusions. No warranty is made, and no liability is assumed for the soundness of the structure or its components. The Association should consider additional inspection(s) for any safety concerns or hidden defects. The valuations derived and expressed within are not applicable to any other property regardless of similarity. The valuation is as of the date specified.

The values provided in this analysis are derived and based upon cost during common and normal economic conditions. These values do not reflect the significant impact on cost which may occur because of supply shortages and demand increases which are typically created as a result of disasters such as hurricanes, windstorms, etc. All updates are based upon the previous validated data.

This analysis represents my opinion based on accepted valuation systems and reserve methodology as to the values of the described property. As stated in the report, it has in no way been contingent upon the report of predetermined or specified value, nor has compensation for this reserve analysis report been contingent upon the value of the property considered.

Report completed by:
J. R. FRAZER, INC.
Sundeep J. Jay
125 South State Road 7 – suite: 104/197
Wellington, Florida 33414
561-488-3012

2024 "Traditional" RESERVE SUMMARY

Wellington Shores Association, Inc. Wellington Shores Dr, Wellington, FL 33449

CASH FLOW METHOD WITH POOLED RESERVES
Prepared for Budget Year 2025 - January 1st through December 31st

RESERVE CATEGORY	REPLACEMENT COST	USEFUL LIFE (YEARS)	REMAIN LIFE (YEARS)	NORMAL ANNUAL CONTRIBUTION	FULLY FUNDED BALANCE	ASSOCIATION FUND BALANCE 12/31/2023	FUND (DEFICIT) OVERAGE	2025 ANNUAL RESERVE CONTRIBUTION	2025 MONTHLY CONTRIBUTION
A - Roofing	75,330	25	3	3,013	65,607	*	*	*	*
B - Painting	20,238	10	3	2,024	15,129	*	*	*	*
C - Paving	1,987,803	43	27	46,160	757,024	*	*	*	*
D - Pool	103,824	16	7	6,618	59,285	*	*	*	*
E - Clubhouse	483,640	20	8	24,598	295,528	*	*	*	*
F - Guardhouse & Equipment	174,288	17	6	10,299	109,896	*	*	*	*
G - Tennis/Pickleball Courts	187,500	27	13	6,849	95,188	*	*	*	*
H - Replace & Restoration	289,740	26	13	10,991	142,299	*	*	*	*
I - Irrigation Stations	71,400	16	5	4,458	47,184	*	*	*	*
J - Drainage	273,000	70	47	3,900	89,700	*	*	*	*
Association Fund Balance	-			-		294,116			
TOTAL	\$ 3,666,763		Life range of years are averaged, see actual estimated years in "C" pages.	\$ 118,910	\$ 1,676,840	294,116	(1,382,724)	\$ 118,910	\$ 9,909

Note: Fully Funded Balance - "Total Accrued Depreciation" (for a complete definition, see the glossary section of this report)

Note: The category "Paving" will/may include items such Asphalt, Curbs, Valley Drains, Sidewalks, and Pavers - for further details, see the section for Paving in the "C" pages of this report

The December 31st balance included the November 31st balance plus the December 2023 reserve contribution amount

RESERVE CONTRIBUTION FORECAST

Wellington Shores Association, Inc.
Wellington Shores Dr, Wellington, FL 33449

RESERVE CATEGORY	Yr. 2024 Contribution	Yr. 2025 Contribution	Yr. 2026 Contribution	Yr. 2027 Contribution	Yr. 2028 Contribution	Yr. 2029 Contribution	Yr. 2030 Contribution	Yr. 2031 Contribution	Yr. 2032 Contribution	Yr. 2033 Contribution	Yr. 2034 Contribution
Normal Annual Contribution	50,000	118,910	118,910	118,910	118,910	118,910	118,910	118,910	118,910	118,910	118,910
Plus Amortized Deficit Amount		0	0	0	0	0	0	0	0	0	0
TOTAL ANNUAL FULLY FUNDING RESERVE CONTRIBUTIONS	\$ 50,000	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910
Annual Accumulated Inflation Used:			3.50%	7.00%	10.50%	14.00%	17.50%	21.00%	24.50%	28.00%	31.50%
Future Inflationary Annual Contributions:			\$123,072	\$127,234	\$131,396	\$135,557	\$139,719	\$143,881	\$148,043	\$152,205	\$156,367

The association may adjust replacement reserve assessments annually to take into account an inflation adjustment and any changes in estimates or extension of the useful life of a reserve item.

RESERVE CONTRIBUTION FORECAST

Wellington Shores Association, Inc.
Wellington Shores Dr, Wellington, FL 33449

RESERVE CATEGORY	2035 Contribution	2036 Contribution	2037 Contribution	2038 Contribution	2039 Contribution	2040 Contribution	2041 Contribution	2042 Contribution	2043 Contribution	2044 Contribution
Normal Annual Contribution	118,910	118,910	118,910	118,910	118,910	118,910	118,910	118,910	118,910	118,910
Plus Amortized Deficit Amount	0	0	0	0	0	0	0	0	0	0
TOTAL ANNUAL FULLY FUNDING RESERVE CONTRIBUTIONS	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910
Annual Accumulated Inflation Used:	35.00%	38.50%	42.00%	45.50%	49.00%	52.50%	56.00%	59.50%	63.00%	66.50%
Future Inflationary Annual Contributions:	\$160,529	\$164,690	\$168,852	\$173,014	\$177,176	\$181,338	\$185,500	\$189,661	\$193,823	\$197,985

The association may adjust replacement reserve assessments annually to take into account an inflation adjustment and any changes in estimates or extension of the useful life of a reserve item.

RESERVE CONTRIBUTION FORECAST

Wellington Shores Association, Inc.
Wellington Shores Dr, Wellington, FL 33449

RESERVE CATEGORY	2045 Contribution	2046 Contribution	2047 Contribution	2048 Contribution	2049 Contribution	2050 Contribution	2051 Contribution	2052 Contribution	2053 Contribution	2054 Contribution
Normal Annual Contribution	118,910	118,910	118,910	118,910	118,910	118,910	118,910	118,910	118,910	118,910
Plus Amortized Deficit Amount	0	0	0	0	0	0	0	0	0	0
TOTAL ANNUAL FULLY FUNDING RESERVE CONTRIBUTIONS	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910	\$ 118,910
Annual Accumulated Inflation Used:	70.00%	73.50%	77.00%	80.50%	84.00%	87.50%	91.00%	94.50%	98.00%	101.50%
Future Inflationary Annual Contributions:	\$202,147	\$206,309	\$210,471	\$214,633	\$218,794	\$222,956	\$227,118	\$231,280	\$235,442	\$239,604

The association may adjust replacement reserve assessments annually to take into account an inflation adjustment and any changes in estimates or extension of the useful life of a reserve item.

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

		Values						
Reserve C	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
A - Roofing								
	1 - Clubhouse Roofing System							
	a - clubhouse tile roof 02	5,175	12.12	\$62,721	25	2	\$2,509	\$57,707
	1 - Clubhouse Roofing System Subtotal			\$62,721			\$2,509	\$57,707
	2 - Guardhouse Roofing System							
	a - guardhouse tile roof 02	510	10.79	\$5,503	25	2	\$220	\$5,060
	2 - Guardhouse Roofing System Subtotal			\$5,503			\$220	\$5,060
	3 - Roofing Other							
	a - roofing repairs & misc.	5,685	1.25	\$7,106	25	15	\$284	\$2,840
	3 - Roofing Other Subtotal			\$7,106			\$284	\$2,840
	A - Roofing Total			\$75,330	25	15	\$3,013	\$65,607

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

		Values						
Reserve Category	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
B - Painting								
	1 - Paint Clubhouse Exteriors							
	a - paint clubhouse exteriors 14	5,330	1.30	\$6,929	10	1	\$693	\$6,237
	1 - Paint Clubhouse Exteriors Subtotal			\$6,929			\$693	\$6,237
	2 - Paint Guardhouse Exteriors							
	a - paint guardhouse exteriors 14	888	1.30	\$1,154	10	1	\$115	\$1,035
	2 - Paint Guardhouse Exteriors Subtotal			\$1,154			\$115	\$1,035
	3 - Paint Entry Monument							
	a - paint entry monument	1,440	1.30	\$1,872	10	1	\$187	\$1,683
	3 - Paint Entry Monument Subtotal			\$1,872			\$187	\$1,683
	4 - Paint Gates/Fences							
	a - paint entry swing gates (lf)	64	45.00	\$2,880	10	4	\$288	\$1,728
	b - paint entry area 6' metal fencing (lf)	72	12.50	\$900	10	4	\$90	\$540
	c - paint pool area 6' metal fencing (lf)	232	12.50	\$2,900	10	4	\$290	\$1,740
	d - paint pool equipment 6' metal fencing (lf)	59	12.50	\$738	10	4	\$74	\$444
	4 - Paint Gates/Fences Subtotal			\$7,418			\$742	\$4,452
	5 - Paint Street Light Poles							
	a - paint entry way light poles	6	180.00	\$1,080	10	4	\$108	\$648
	5 - Paint Street Light Poles Subtotal			\$1,080			\$108	\$648
	6 - Paint Street Signs							
	a - paint all street signs	21	85.00	\$1,785	10	4	\$179	\$1,074
	6 - Paint Street Signs Subtotal			\$1,785			\$179	\$1,074
	B - Painting Total			\$20,238	10	4	\$2,024	\$15,129

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

		Values						
Reserve C:	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
C - Paving								
1 - Asphalt & 1" Milling (sy)								
	a - asphalt/mill Barefoot Lake Dr. (sy) 19	1,961	10.75	\$21,081	20	14	\$1,054	\$6,324
	b - asphalt/mill Laurel Walk Dr. 19	2,985	10.75	\$32,089	20	14	\$1,604	\$9,624
	c - asphalt/mill Wellington Shores Dr. (sy) 19	4,983	10.75	\$53,567	20	14	\$2,678	\$16,068
	d - asphalt/mill Cobblefield Rd. (sy) 19	2,351	10.75	\$25,273	20	14	\$1,264	\$7,584
	e - asphalt/mill Silver Ridge St. (sy) 19	2,359	10.75	\$25,359	20	14	\$1,268	\$7,608
	f - asphalt/mill Silver Glen Dr. (sy) 19	1,986	10.75	\$21,350	20	14	\$1,068	\$6,408
	g - asphalt/mill Stone Creek St. (sy) 19	2,447	10.75	\$26,305	20	14	\$1,315	\$7,890
	h - asphalt/mill Pacifica St. (sy) 19	2,447	10.75	\$26,305	20	14	\$1,315	\$7,890
	i - asphalt/ mill clubhouse parking lot (sy) 19	754	10.75	\$8,106	20	14	\$405	\$2,430
	j - asphalt/mill asphalt walkway 19 (sy)	703	23.35	\$16,415	20	14	\$821	\$4,926
	1 - Asphalt & 1" Milling (sy) Subtotal			\$255,850			\$12,792	\$76,752
2 - Pavers								
	a - pool deck pavers 02 (sf)	4,577	9.50	\$43,482	30	7	\$1,449	\$33,327
	b - clubhouse walkway pavers 02 (sf)	2,007	9.50	\$19,067	30	7	\$636	\$14,628
	2 - Pavers Subtotal			\$62,549			\$2,085	\$47,955
3 - Sidewalks Repairs & Replacements								
	a - sidewalks R&R	71,120	9.00	\$640,080	60	37	\$10,668	\$245,364
	3 - Sidewalks Repairs & Replacements Subtotal			\$640,080			\$10,668	\$245,364
4 - Curbs								
	a - valley drain curbs (lf)	17,960	55.00	\$987,800	60	37	\$16,463	\$378,649
	4 - Curbs Subtotal			\$987,800			\$16,463	\$378,649
5 - Paving Other								
	a - paving repairs & misc.	118,640	0.35	\$41,524	10	8	\$4,152	\$8,304
	b - note: association spent approximately \$60,500 in 2019 replacing road swales, sidewalks, and valley drains							
	c - note: association spent approximately \$24,800 in 2019 replacing additional sidewalks and paving							
	5 - Paving Other Subtotal			\$41,524			\$4,152	\$8,304
	C - Paving Total			\$1,987,803	60	37	\$46,160	\$757,024

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

		Values						
Reserve Category	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
D - Pool								
1 - Resurface Pool								
	a - resurface pool 12	2,645	9.00	\$23,805	12	1	\$1,984	\$21,824
	b - replace pool tiles 12	176	22.00	\$3,872	12	1	\$323	\$3,553
	c - replace pool coping pavers	176	12.00	\$2,112	30	7	\$70	\$1,610
	1 - Resurface Pool Subtotal			\$29,789			\$2,377	\$26,987
2 - Pool Equipment								
	a - pool 3hp motor/pump 17	1	1,800.00	\$1,800	8	1	\$225	\$1,575
	b - pool filter housing	1	850.00	\$850	15	1	\$57	\$798
	c - pool chemical feeders 23	2	675.00	\$1,350	10	8	\$135	\$270
	d - pool heater 20	1	5,500.00	\$5,500	10	5	\$550	\$2,750
	e - pool heater 22	1	5,500.00	\$5,500	10	7	\$550	\$1,650
	f - pool vakpak cover	1	6,500.00	\$6,500	30	7	\$217	\$4,991
	g - pool major repairs	1	8,000.00	\$8,000	20	10	\$400	\$4,000
	2 - Pool Equipment Subtotal			\$29,500			\$2,134	\$16,034
3 - Pool Area Furniture								
	a - clubhouse patio furniture 22	1	2,600.00	\$2,600	15	12	\$173	\$519
	b - pool area strap furniture 17	1	15,000.00	\$15,000	15	7	\$1,000	\$8,000
	3 - Pool Area Furniture Subtotal			\$17,600			\$1,173	\$8,519
4 - Pool Area Fencing								
	a - pool area 6' metal fencing (lf) 17	232	85.00	\$19,720	30	22	\$657	\$5,256
	b - pool equipment 6' metal fencing (lf) 18	59	85.00	\$5,015	30	23	\$167	\$1,169
	4 - Pool Area Fencing Subtotal			\$24,735			\$824	\$6,425
5 - Pool Drinking Fountains								
	a - pool drinking fountain 13	2	1,100.00	\$2,200	20	8	\$110	\$1,320
	5 - Pool Drinking Fountains Subtotal			\$2,200			\$110	\$1,320
D - Pool Total				\$103,824	30	23	\$6,618	\$59,285

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

Reserve Category	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
E - Clubhouse								
	01 - Clubhouse R&R							
	a - clubhouse R&R	5,330	3.50	\$18,655	30	11	\$622	\$11,818
	b - clubhouse gutters (lf)	196	32.40	\$6,350	25	1	\$254	\$6,096
	01 - Clubhouse R&R Subtotal			\$25,005			\$876	\$17,914
	02 - Clubhouse Exterior Doors							
	a - clubhouse double glass door/frame	6	8,500.00	\$51,000	40	17	\$1,275	\$29,325
	b - clubhouse double glass w/ window	1	9,800.00	\$9,800	40	17	\$245	\$5,635
	c - club restroom single metal door/frame	2	2,400.00	\$4,800	30	7	\$160	\$3,680
	02 - Clubhouse Exterior Doors Subtotal			\$65,600			\$1,680	\$38,640
	03 - Clubhouse Windows							
	a - clubhouse windows (sf)	596	85.00	\$50,660	40	17	\$1,267	\$29,141
	03 - Clubhouse Windows Subtotal			\$50,660			\$1,267	\$29,141
	04 - Clubhouse Exterior Lighting							
	a - clubhouse exterior chandelier	1	800.00	\$800	15	5	\$53	\$530
	b - clubhouse exterior wall lights	8	200.00	\$1,600	15	12	\$107	\$321
	04 - Clubhouse Exterior Lighting Subtotal			\$2,400			\$160	\$851
	04 - Clubhouse Water Heater							
	a - clubhouse 55 gallon water heater	1	1,800.00	\$1,800	15	3	\$120	\$1,440
	04 - Clubhouse Water Heater Subtotal			\$1,800			\$120	\$1,440
	05 - Clubhouse Security							
	a - clubhouse security cameras	13	1,200.00	\$15,600	8	4	\$1,950	\$7,800
	b - clubhouse key fob access points	6	2,400.00	\$14,400	15	7	\$960	\$7,680
	c - clubhouse pool area monitoring system	1	5,500.00	\$5,500	15	6	\$367	\$3,303
	d - clubhouse alarm security system	1	4,200.00	\$4,200	15	6	\$280	\$2,520
	05 - Clubhouse Security Subtotal			\$39,700			\$3,557	\$21,303
	06 - Clubhouse A/C Units							
	a - clubhouse 5 ton a/c unit 10	1	10,200.00	\$10,200	12	1	\$850	\$9,350
	b - clubhouse 5 ton a/c unit 15	1	10,200.00	\$10,200	12	2	\$850	\$8,500
	c - clubhouse 5 ton a/c unit 17	1	10,200.00	\$10,200	12	4	\$850	\$6,800

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

Reserve C	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
	06 - Clubhouse A/C Units Subtotal			\$30,600			\$2,550	\$24,650
	07 - Clubhouse Window Shutters							
	a - clubhouse interior window shutters 18	596	61.00	\$36,356	25	18	\$1,454	\$10,178
	07 - Clubhouse Window Shutters Subtotal			\$36,356			\$1,454	\$10,178
	08 - Clubhouse Social Room							
	a - clubhouse social room tiles	986	13.00	\$12,818	20	2	\$641	\$11,538
	b - clubhouse social room paint 19	1,872	2.30	\$4,306	15	9	\$287	\$1,722
	c - clubhouse social room lighting	1	5,000.00	\$5,000	20	9	\$250	\$2,750
	d - club social room furniture & décor 18	1	26,000.00	\$26,000	15	8	\$1,733	\$12,131
	e - clubhouse social room TV	1	1,800.00	\$1,800	10	7	\$180	\$540
	08 - Clubhouse Social Room Subtotal			\$49,924			\$3,091	\$28,681
	09 - Clubhouse Kitchen							
	a - club kitchen social room tiles	100	13.00	\$1,300	20	2	\$65	\$1,170
	b - club kitchen social room paint 19	540	2.30	\$1,242	15	9	\$83	\$498
	c - club kitchen social room lighting	1	540.00	\$540	20	9	\$27	\$297
	d - club kitchen appliances 15	1	4,500.00	\$4,500	15	5	\$300	\$3,000
	e - club kitchen cabinets/counter top (lf)	20	895.00	\$17,900	20	2	\$895	\$16,110
	09 - Clubhouse Kitchen Subtotal			\$25,482			\$1,370	\$21,075
	10 - Clubhouse Lobby							
	a - club lobby tiles	475	13.00	\$6,175	20	2	\$309	\$5,562
	b - club lobby paint 19	1,725	2.30	\$3,968	15	9	\$265	\$1,590
	c - club lobby lighting	1	2,000.00	\$2,000	20	9	\$100	\$1,100
	d - club lobby furniture & décor	1	800.00	\$800	15	8	\$53	\$371
	e - club lobby community bulletin board 18	1	600.00	\$600	20	13	\$30	\$210
	10 - Clubhouse Lobby Subtotal			\$13,543			\$757	\$8,833
	11 - Clubhouse Gym							
	a - club gym carpet 19 (sy)	94	90.00	\$8,460	15	9	\$564	\$3,384
	b - club gym paint 21	2,314	1.30	\$3,008	15	11	\$201	\$804
	c - club gym lighting	1	5,230.00	\$5,230	20	9	\$262	\$2,882
	d - club gym fitness equipment 18	1	58,500.00	\$58,500	15	8	\$3,900	\$27,300

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

		Quantity		Replacement	Useful	Remaining	Normal	Current
Reserve C	Component Items	Units	Unit Cost \$	Cost \$	Life	Life	Annual Contribution	Reserve Requirement
	e - club gym furniture & décor	1	1,000.00	\$1,000	15	9	\$67	\$402
	f - club gym TVs 17	2	600.00	\$1,200	10	2	\$120	\$960
	g - club gym mirror	64	10.50	\$672	30	15	\$22	\$330
	11 - Clubhouse Gym Subtotal			\$78,070			\$5,136	\$36,062
	12 - Clubhouse Restrooms							
	a - renovate clubhouse restrooms (572sf)	2	32,250.00	\$64,500	25	3	\$2,580	\$56,760
	12 - Clubhouse Restrooms Subtotal			\$64,500			\$2,580	\$56,760
E - Clubhouse Total				\$483,640	40	18	\$24,598	\$295,528

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

		Values						
Reserve C	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
F - Guardhouse & Equipment								
	01 - Guardhouse R&R							
	a - guardhouse R&R	888	3.50	\$3,108	30	11	\$104	\$1,976
	01 - Guardhouse R&R Subtotal			\$3,108			\$104	\$1,976
	02 - Guardhouse Doors							
	a - guardhouse glass door/frame 24	3	4,500.00	\$13,500	30	0	\$450	\$13,500
	02 - Guardhouse Doors Subtotal			\$13,500			\$450	\$13,500
	03 - Guardhouse Windows							
	a - guardhouse windows (sf) - (3) 24	72	90.00	\$6,480	30	0	\$216	\$6,480
	03 - Guardhouse Windows Subtotal			\$6,480			\$216	\$6,480
	04 - Guardhouse Exterior Lighting							
	a - guardhouse exterior wall lights	3	200.00	\$600	15	12	\$40	\$120
	04 - Guardhouse Exterior Lighting Subtotal			\$600			\$40	\$120
	05 - Guardhouse A/C Unit							
	a - guardhouse 1 ton a/c unit	1	4,000.00	\$4,000	12	5	\$333	\$2,331
	05 - Guardhouse A/C Unit Subtotal			\$4,000			\$333	\$2,331
	06 - Guardhouse Interiors							
	a - guardhouse interior tiles	260	13.00		20			
	b - guardhouse interior paint	812	1.30		15			
	c - guardhouse interior lighting	1	650.00		20			
	d - guardhouse counter top (lf)	11	495.00		20			
	e - renovate guardhouse restroom (80sf)	1	8,400.00		25			
	f - note: guardhouse not currently in use - all interiors excluded from reserve study calculations							
	06 - Guardhouse Interiors Subtotal							
	07 - Entry/Exit Swing Gate							
	a - replace entry swing gates - 2 (lf) 17	40	550.00	\$22,000	25	17	\$880	\$7,040
	b - replace exit swing gate - 1 (lf) 17	24	550.00	\$13,200	25	17	\$528	\$4,224
	07 - Entry/Exit Swing Gate Subtotal			\$35,200			\$1,408	\$11,264
	08 - Entry/Exit Gate Fencing							
	a - entry/exit gate 6' metal fencing (lf) 17	73	100.00	\$7,300	30	22	\$243	\$1,944

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

		Values						
Reserve C	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
	08 - Entry/Exit Gate Fencing Subtotal			\$7,300			\$243	\$1,944
	09 - Entry/Exit Gate Equipment							
	a - entry/exit gate arm operators 08	3	4,800.00	\$14,400	15	2	\$960	\$12,480
	b - entry/exit gate arm operators 09	1	4,800.00	\$4,800	15	2	\$320	\$4,160
	c - entry/exit gate arm operators 10	1	4,800.00	\$4,800	15	2	\$320	\$4,160
	d - entry/exit swing gate operators 17	4	5,000.00	\$20,000	15	7	\$1,333	\$10,664
	e - entrance gate asphalt loop 19	1	3,900.00	\$3,900	20	14	\$195	\$1,170
	09 - Entry/Exit Gate Equipment Subtotal			\$47,900			\$3,128	\$32,634
	10 - Entry Gate Transponder							
	a - entry gate transponder & wiring	1	7,800.00	\$7,800	15	2	\$520	\$6,760
	10 - Entry Gate Transponder Subtotal			\$7,800			\$520	\$6,760
	11 - Entry Gate Telephone System							
	a - entry gate virtual telephone system 14	1	34,000.00	\$34,000	15	4	\$2,267	\$24,937
	11 - Entry Gate Telephone System Subtotal			\$34,000			\$2,267	\$24,937
	12 - Entry/Exit Gate Traffic Lights							
	a - entry/exit gate traffic lights 20	2	1,800.00	\$3,600	15	10	\$240	\$1,200
	12 - Entry/Exit Gate Traffic Lights Subtotal			\$3,600			\$240	\$1,200
	13 - Guardhouse Security Cameras							
	a - guardhouse area security cameras 20	9	1,200.00	\$10,800	8	3	\$1,350	\$6,750
	13 - Guardhouse Security Cameras Subtotal			\$10,800			\$1,350	\$6,750
F - Guardhouse & Equipment Total				\$174,288	30	22	\$10,299	\$109,896

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

Reserve Category	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
G - Tennis/Pickleball Courts								
01 - Resurface Tennis/Pickleball Courts								
	a - resurface tennis/pickleball courts	2	5,400.00	\$10,800	8	5	\$1,350	\$4,050
	b - replace tennis/pickleball court subsurface	14,400	5.00	\$72,000	40	25	\$1,800	\$27,000
	c - note: association spent approximately \$61k in 2019 updating the tennis court surfaces and components - subsurface work completed							
	01 - Resurface Tennis/Pickleball Courts Subtotal			\$82,800			\$3,150	\$31,050
02 - Basketball Backboard/Post								
	a - basketball backboard	1	1,200.00	\$1,200	15	12	\$80	\$240
	b - basketball post	1	3,200.00	\$3,200	30	27	\$107	\$321
	02 - Basketball Backboard/Post Subtotal			\$4,400			\$187	\$561
03 - Tennis/Pickleball Fencing								
	a - tennis/pickleball 4' chain-link fence (lf)	20	45.00	\$900	30	10	\$30	\$600
	b - tennis/pickleball 5' chain-link fence (lf) 19	50	55.00	\$2,750	30	24	\$92	\$552
	c - tennis/pickleball 10' chain-link fence (lf)	510	85.00	\$43,350	30	10	\$1,445	\$28,900
	d - note: association spent approximately \$6,900 in repairing the tennis court fencing in 2022							
	03 - Tennis/Pickleball Fencing Subtotal			\$47,000			\$1,567	\$30,052
04 - Tennis/Pickleball Lighting								
	a - tennis/pickleball single fixture light poles	6	4,500.00	\$27,000	30	10	\$900	\$18,000
	b - tennis/pickleball double fixture light poles	3	7,200.00	\$21,600	30	10	\$720	\$14,400
	c - note: tennis/pickleball light fixtures were replace in 2020 for approximately \$7,300							
	04 - Tennis/Pickleball Lighting Subtotal			\$48,600			\$1,620	\$32,400
05 - Tennis/Pickleball Benches								
	a - tennis/pickleball composite benches 22	4	875.00	\$3,500	20	17	\$175	\$525
	05 - Tennis/Pickleball Benches Subtotal			\$3,500			\$175	\$525
06 - Tennis/Pickleball Security Camera								
	a - tennis/pickleball security camera	1	1,200.00	\$1,200	8	4	\$150	\$600
	06 - Tennis/Pickleball Security Camera Subtotal			\$1,200			\$150	\$600
G - Tennis/Pickleball Courts Total				\$187,500	40	27	\$6,849	\$95,188

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

		Values						
Reserve C	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
H - Replace & Restoration								
01 - Entry Monument								
	a - renovate entry monument	720	55.00	\$39,600	30	7	\$1,320	\$30,360
	b - entry monument R&R	720	25.00	\$18,000	15	1	\$1,200	\$16,800
	c - entry monument waterproof planter (sf)	148	35.00	\$5,180	15	1	\$345	\$4,830
	d - monument large led landscaping light	5	450.00	\$2,250	15	9	\$150	\$900
	01 - Entry Monument Subtotal			\$65,030			\$3,015	\$52,890
02 - Perimeter Fencing								
	a - north 3' perimeter chain-link fencing (lf)	877	30.00	\$26,310	30	15	\$877	\$13,155
	b - east 3' perimeter chain-link fencing (lf)	2,619	30.00	\$78,570	30	15	\$2,619	\$39,285
	c - west 3' perimeter chain-link fencing (lf)	561	30.00	\$16,830	30	15	\$561	\$8,415
	02 - Perimeter Fencing Subtotal			\$121,710			\$4,057	\$60,855
03 - Association Mailboxes								
	a - association mailboxes 19	182	375.00	\$68,250	25	19	\$2,730	\$16,380
	03 - Association Mailboxes Subtotal			\$68,250			\$2,730	\$16,380
04 - Street Signs								
	a - advisory signs 19	7	900.00	\$6,300	30	24	\$210	\$1,260
	b - stop/street signs 19	8	1,100.00	\$8,800	30	24	\$293	\$1,758
	c - wooden post signs 19	6	200.00	\$1,200	20	14	\$60	\$360
	d - galvanized signs	1	450.00	\$450	25	19	\$18	\$108
	e - dog stations 19	3	400.00	\$1,200	25	19	\$48	\$288
	04 - Street Signs Subtotal			\$17,950			\$629	\$3,774
05 - Entry Street Light Poles								
	a - entry way street light poles	6	2,800.00	\$16,800	30	15	\$560	\$8,400
	05 - Entry Street Light Poles Subtotal			\$16,800			\$560	\$8,400
H - Replace & Restoration Total				\$289,740	30	24	\$10,991	\$142,299

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

		Values							
Reserve C:	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement	
I - Irrigation Stations									
1 - North Irrigation Station									
	a - north irrigation 15hp motor 15	1	7,500.00	\$7,500	15	5	\$500	\$5,000	
	b - north irrigation 15hp motor	1	7,500.00	\$7,500	15	3	\$500	\$6,000	
	c - north irrigation 3hp jockey pump	1	3,200.00	\$3,200	8	3	\$400	\$2,000	
	d - north irrigation expansion tank 20	1	850.00	\$850	15	10	\$57	\$285	
	e - north irrigation controller ~13	1	5,200.00	\$5,200	20	8	\$260	\$3,120	
	f - north irrigation clock 23	1	1,450.00	\$1,450	10	8	\$145	\$290	
	g - north irrigation electrical & misc.	1	5,000.00	\$5,000	25	10	\$200	\$3,000	
	h - north irrigation enclosure R&R	1	5,000.00	\$5,000	30	10	\$167	\$3,340	
	i - note: north irrigation station is located across the clubhouse lake on the east side								
	1 - North Irrigation Station Subtotal			\$35,700			\$2,229	\$23,035	
2 - South Irrigation Station									
	a - south irrigation 15hp motor	2	7,500.00	\$15,000	15	3	\$1,000	\$12,000	
	b - south irrigation 3hp jockey pump	1	3,200.00	\$3,200	8	3	\$400	\$2,000	
	c - south irrigation expansion tank 18	1	850.00	\$850	15	8	\$57	\$399	
	d - south irrigation controller ~13	1	5,200.00	\$5,200	20	8	\$260	\$3,120	
	e - south irrigation clock 23	1	1,450.00	\$1,450	10	8	\$145	\$290	
	f - south irrigation electrical & misc.	1	5,000.00	\$5,000	25	10	\$200	\$3,000	
	g - south irrigation enclosure R&R	1	5,000.00	\$5,000	30	10	\$167	\$3,340	
	h - note: south irrigation station is located at the most southern lake on the east side by the perimeter fencing								
	2 - South Irrigation Station Subtotal			\$35,700			\$2,229	\$24,149	
	I - Irrigation Stations Total			\$71,400	30	10	\$4,458	\$47,184	

2024 PHYSICAL RESERVE ANALYSIS

Wellington Shores Association, Inc.

Reserve Category	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Useful Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
J - Drainage								
	1 - Roadside Catch Drain Basins							
	a - roadside catch drain basins	42	6,500.00	\$273,000	70	47	\$3,900	\$89,700
	1 - Roadside Catch Drain Basins Subtotal			\$273,000			\$3,900	\$89,700
	2 - Drainage Notes							
	a - note: monies for any drainage related issues can be used from reserves from the catch drainage basin line item							
	b - note: as the association ages, the community will start to incur costs related to drainage repairs and replacements							
	c - note: all costs for the community storm water drainage issues are not in this budget - underground piping is not included							
	d - note: monies for drainage has been allocated to assist in possible repairs/replacements and or drain pipe lining							
	e - note: if drainage costs exceeds the amounts stated in this report, the association should special assess the difference in the costs							
	2 - Drainage Notes Subtotal							
	J - Drainage Total			\$273,000	70	47	\$3,900	\$89,700
	Grand Total			\$3,666,763	70	47	\$118,910	\$1,676,840

RESERVE FUNDING FINANCIAL ANALYSIS

Wellington Shores Association, Inc.

		12/31/23				FUND OVERAGE (DEFICIT)			
		RESERVE BALANCE	FULLY FUNDED BALANCE / TOTAL ACCRUED DEPRECIATION					Minimum Threshold Reserve Fund Balance:	
		\$294,116	\$1,676,840			(\$1,382,724)		\$72,000	
<u>Financial year runs January 1st to December 31st</u>									
		BEGINNING RESERVE FUND BALANCE		Minus YEARLY EXPENSE		Plus NORMAL ANNUAL CONTRIBUTION	Plus AMORTIZED DEFICIT	Equals TOTAL YEARLY CONTRIBUTION	ENDING RESERVE FUND BALANCE
FISCAL YEAR	YEAR	BALANCE	COMPONENT EXPENSE ITEMS BY YEAR	EXPENSE		CONTRIBUTION	DEFICIT	CONTRIBUTION	BALANCE
					12				
					months				
					remaining				
2024	0	294,116	a - guardhouse glass door/frame 24 a - guardhouse windows (sf) - (3) 24	19,980		50,000	0	50,000	\$324,136
2025	1	324,136	a - paint clubhouse exteriors 14 a - paint guardhouse exteriors 14 a - paint entry monument a - resurface pool 12 b - replace pool tiles 12 a - pool 3hp motor/pump 17 b - pool filter housing b - clubhouse gutters (lf) a - clubhouse 5 ton a/c unit 10 b - entry monument R&R c - entry monument waterproof planter (sf)	80,012		118,910	0	118,910	\$363,034
2026	2	363,034	a - clubhouse tile roof 02 a - guardhouse tile roof 02 b - clubhouse 5 ton a/c unit 15 a - clubhouse social room tiles a - club kitchen social room tiles e - club kitchen cabinets/counter top (lf) a - club lobby tiles f - club gym TVs 17 a - entry/exit gate arm operators 08 b - entry/exit gate arm operators 09 c - entry/exit gate arm operators 10 a - entry gate transponder & wiring	149,617		118,910	0	118,910	\$332,327
2027	3	332,327	a - clubhouse 55 gallon water heater a - renovate clubhouse restrooms (572sf) a - guardhouse area security cameras 20 b - north irrigation 15hp motor c - north irrigation 3hp jockey pump a - south irrigation 15hp motor b - south irrigation 3hp jockey pump	106,000		118,910	0	118,910	\$345,237
2028	4	345,237	a - paint entry swing gates (lf) b - paint entry area 6' metal fencing (lf) c - paint pool area 6' metal fencing (lf) d - paint pool equipment 6' metal fencing (lf) a - paint entry way light poles a - paint all street signs a - clubhouse security cameras c - clubhouse 5 ton a/c unit 17 a - entry gate virtual telephone system 14 a - tennis/pickleball security camera	71,283		118,910	0	118,910	\$392,864
2029	5	392,864	d - pool heater 20 a - clubhouse exterior chandelier d - club kitchen appliances 15 a - guardhouse 1 ton a/c unit a - resurface tennis/pickleball courts a - north irrigation 15hp motor 15	33,100		118,910	0	118,910	\$478,674
2030	6	478,674	c - clubhouse pool area monitoring system d - clubhouse alarm security system	9,700		118,910	0	118,910	\$587,884

		BEGINNING							ENDING
		RESERVE		Minus		Plus	Plus	Equals	RESERVE
FISCAL		FUND		YEARLY		NORMAL ANNUAL	AMORTIZED	TOTAL YEARLY	FUND
YEAR	YEAR	BALANCE	COMPONENT EXPENSE ITEMS BY YEAR	EXPENSE		CONTRIBUTION	DEFICIT	CONTRIBUTION	BALANCE
2031	7	587,884	a - pool deck pavers 02 (sf) b - clubhouse walkway pavers 02 (sf) c - replace pool coping pavers e - pool heater 22 f - pool vakpak cover b - pool area strap furniture 17 c - club restroom single metal door/frame b - clubhouse key fob access points e - clubhouse social room TV d - entry/exit swing gate operators 17 a - renovate entry monument	172,261		118,910	0	118,910	\$534,533
2032	8	534,533	a - paving repairs & misc. c - pool chemical feeders 23 a - pool drinking fountain 13 d - club social room furniture & décor 18 d - club lobby furniture & décor d - club gym fitness equipment 18 e - north irrigation controller ~13 f - north irrigation clock 23 c - south irrigation expansion tank 18 d - south irrigation controller ~13 e - south irrigation clock 23	144,524		118,910	0	118,910	\$508,919
2033	9	508,919	a - pool 3hp motor/pump 17 b - clubhouse social room paint 19 c - clubhouse social room lighting b - club kitchen social room paint 19 c - club kitchen social room lighting b - club lobby paint 19 c - club lobby lighting a - club gym carpet 19 (sy) c - club gym lighting e - club gym furniture & décor d - monument large led landscaping light	35,796		118,910	0	118,910	\$592,033
2034	10	592,033	g - pool major repairs a - entry/exit gate traffic lights 20 a - tennis/pickleball 4' chain-link fence (lf) c - tennis/pickleball 10' chain-link fence (lf) a - tennis/pickleball single fixture light poles b - tennis/pickleball double fixture light poles d - north irrigation expansion tank 20 g - north irrigation electrical & misc. h - north irrigation enclosure R&R f - south irrigation electrical & misc. g - south irrigation enclosure R&R	125,300		118,910	0	118,910	\$585,643
2035	11	585,643	a - paint clubhouse exteriors 14 a - paint guardhouse exteriors 14 a - paint entry monument a - clubhouse R&R b - club gym paint 21 a - guardhouse R&R a - guardhouse area security cameras 20 c - north irrigation 3hp jockey pump b - south irrigation 3hp jockey pump	51,926		118,910	0	118,910	\$652,627
2036	12	652,627	a - clubhouse patio furniture 22 b - clubhouse exterior wall lights a - clubhouse security cameras f - club gym TVs 17 a - guardhouse exterior wall lights a - basketball backboard a - tennis/pickleball security camera	24,000		118,910	0	118,910	\$747,537
2037	13	747,537	a - resurface pool 12 b - replace pool tiles 12 a - clubhouse 5 ton a/c unit 10 e - club lobby community bulletin board 18 a - resurface tennis/pickleball courts	49,277		118,910	0	118,910	\$817,170
2038	14	817,170	a - paint entry swing gates (lf) b - paint entry area 6' metal fencing (lf) c - paint pool area 6' metal fencing (lf) d - paint pool equipment 6' metal fencing (lf) a - paint entry way light poles a - paint all street signs a - asphalt/mill Barefoot Lake Dr. (sy) 19 b - asphalt/mill Laurel Walk Dr. 19 c - asphalt/mill Wellington Shores Dr. (sy) 19 d - asphalt/mill Cobblefield Rd. (sy) 19 e - asphalt/mill Silver Ridge St. (sy) 19 f - asphalt/mill Silver Glen Dr. (sy) 19 g - asphalt/mill Stone Creek St. (sy) 19 h - asphalt/mill Pacifica St. (sy) 19 i - asphalt/ mill clubhouse parking lot (sy) 19 j - asphalt/mill asphalt walkway 19 (sy) b - clubhouse 5 ton a/c unit 15 e - entrance gate asphalt loop 19 c - wooden post signs 19	281,433		118,910	0	118,910	\$654,647
2039	15	654,647	a - roofing repairs & misc. d - pool heater 20 g - club gym mirror a - north 3' perimeter chain-link fencing (lf) b - east 3' perimeter chain-link fencing (lf) c - west 3' perimeter chain-link fencing (lf) a - entry way street light poles	151,788		118,910	0	118,910	\$621,769

		BEGINNING						ENDING	
		RESERVE		Minus		Plus	Plus	Equals	
FISCAL		FUND		YEARLY		NORMAL ANNUAL	AMORTIZED	TOTAL YEARLY	
YEAR	YEAR	BALANCE	COMPONENT EXPENSE ITEMS BY YEAR	EXPENSE		CONTRIBUTION	DEFICIT	CONTRIBUTION	
								FUND	
								BALANCE	
2040	16	621,769	b - pool filter housing c - clubhouse 5 ton a/c unit 17 b - entry monument R&R c - entry monument waterproof planter (sf)	34,230		118,910	0	118,910	\$706,449
2041	17	706,449	a - pool 3hp motor/pump 17 e - pool heater 22 a - clubhouse double glass door/frame b - clubhouse double glass w/ window a - clubhouse windows (sf) e - clubhouse social room TV a - guardhouse 1 ton a/c unit a - replace entry swing gates - 2 (lf) 17 b - replace exit swing gate - 1 (lf) 17 a - entry/exit gate arm operators 08 b - entry/exit gate arm operators 09 c - entry/exit gate arm operators 10 a - entry gate transponder & wiring a - tennis/pickleball composite benches 22	195,060		118,910	0	118,910	\$630,299
2042	18	630,299	a - paving repairs & misc. c - pool chemical feeders 23 a - clubhouse 55 gallon water heater a - clubhouse interior window shutters 18 b - north irrigation 15hp motor f - north irrigation clock 23 a - south irrigation 15hp motor e - south irrigation clock 23	106,430		118,910	0	118,910	\$642,779
2043	19	642,779	a - entry gate virtual telephone system 14 a - guardhouse area security cameras 20 a - association mailboxes 19 d - galvanized signs e - dog stations 19 c - north irrigation 3hp jockey pump b - south irrigation 3hp jockey pump	121,100		118,910	0	118,910	\$640,589
2044	20	640,589	a - clubhouse exterior chandelier a - clubhouse security cameras d - club kitchen appliances 15 a - tennis/pickleball security camera a - north irrigation 15hp motor 15	29,600		118,910	0	118,910	\$729,899
2045	21	729,899	a - paint clubhouse exteriors 14 a - paint guardhouse exteriors 14 a - paint entry monument c - clubhouse pool area monitoring system d - clubhouse alarm security system a - resurface tennis/pickleball courts	30,455		118,910	0	118,910	\$818,354
2046	22	818,354	b - pool area strap furniture 17 a - pool area 6' metal fencing (lf) 17 b - clubhouse key fob access points a - clubhouse social room tiles a - club kitchen social room tiles e - club kitchen cabinets/counter top (lf) a - club lobby tiles f - club gym TVs 17 a - entry/exit gate 6' metal fencing (lf) 17 d - entry/exit swing gate operators 17	115,813		118,910	0	118,910	\$821,451
2047	23	821,451	b - pool equipment 6' metal fencing (lf) 18 d - club social room furniture & décor 18 d - club lobby furniture & décor d - club gym fitness equipment 18 c - south irrigation expansion tank 18	91,165		118,910	0	118,910	\$849,196
2048	24	849,196	a - paint entry swing gates (lf) b - paint entry area 6' metal fencing (lf) c - paint pool area 6' metal fencing (lf) d - paint pool equipment 6' metal fencing (lf) a - paint entry way light poles a - paint all street signs b - clubhouse social room paint 19 b - club kitchen social room paint 19 b - club lobby paint 19 a - club gym carpet 19 (sy) e - club gym furniture & décor b - tennis/pickleball 5' chain-link fence (lf) 19 d - monument large led landscaping light a - advisory signs 19 b - stop/street signs 19	49,359		118,910	0	118,910	\$918,747
2049	25	918,747	a - resurface pool 12 b - replace pool tiles 12 a - pool 3hp motor/pump 17 d - pool heater 20 a - clubhouse 5 ton a/c unit 10 a - entry/exit gate traffic lights 20 b - replace tennis/pickleball court subsurface d - north irrigation expansion tank 20	121,627		118,910	0	118,910	\$916,030
2050	26	916,030	b - clubhouse gutters (lf) b - clubhouse 5 ton a/c unit 15 b - club gym paint 21	19,558		118,910	0	118,910	\$1,015,382

		BEGINNING							ENDING
		RESERVE		Minus		Plus	Plus	Equals	RESERVE
FISCAL		FUND		YEARLY		NORMAL ANNUAL	AMORTIZED	TOTAL YEARLY	FUND
YEAR	YEAR	BALANCE	COMPONENT EXPENSE ITEMS BY YEAR	EXPENSE		CONTRIBUTION	DEFICIT	CONTRIBUTION	BALANCE
2051	27	1,015,382	a - clubhouse tile roof 02 a - guardhouse tile roof 02 e - pool heater 22 a - clubhouse patio furniture 22 b - clubhouse exterior wall lights e - clubhouse social room TV a - guardhouse exterior wall lights a - guardhouse area security cameras 20 a - basketball backboard b - basketball post c - north irrigation 3hp jockey pump b - south irrigation 3hp jockey pump	101,924		118,910	0	118,910	\$1,032,368
2052	28	1,032,368	a - paving repairs & misc. c - pool chemical feeders 23 a - pool drinking fountain 13 a - clubhouse security cameras c - clubhouse 5 ton a/c unit 17 a - renovate clubhouse restrooms (572sf) a - tennis/pickleball security camera e - north irrigation controller ~13 f - north irrigation clock 23 d - south irrigation controller ~13 e - south irrigation clock 23	149,874		118,910	0	118,910	\$1,001,404
2053	29	1,001,404	c - clubhouse social room lighting c - club kitchen social room lighting c - club lobby lighting c - club gym lighting a - guardhouse 1 ton a/c unit a - resurface tennis/pickleball courts	27,570		118,910	0	118,910	\$1,092,744
2054	30	1,092,744	g - pool major repairs a - guardhouse glass door/frame 24 a - guardhouse windows (sf) - (3) 24	27,980		118,910	0	118,910	\$1,183,674
In this reserve study, deficits beyond 25 years are not considered or amortized into previous years									
END			THIRTY YEAR REPAIR / REPLACEMENT PROJECTIONS						



Clubhouse Exteriors



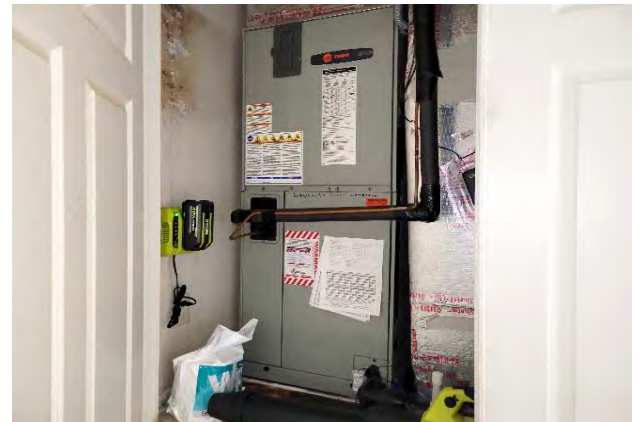
Clubhouse Exterior Lighting



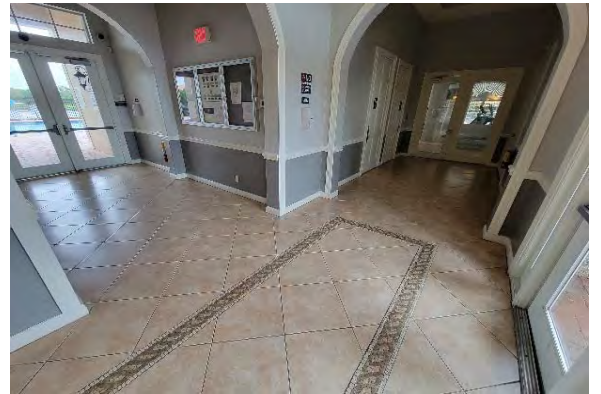
Clubhouse A/C Condensers



Clubhouse A/C Air Handlers



Water Heater



Clubhouse Interiors





Pool & Pool Area Fencing



Pool Furniture



Patio Furniture & Drinking Fountain





Pool Equipment & Related Components



Guardhouse, Guardhouse a/c unit, Exterior Lighting, and Traffic Light





Entry Gate and Related Components





Entry Gate Arm Operators, Gate Transponder, Entry Telephone System, Security Cameras





Tennis Court & Pickleball Court



Basketball Hoop & Court Lighting



Court Fencing & Bench





Entry Monument & Monument Lighting



Association Signs



Dog Station & Street Light



Perimeter Fencing & Mailbox



North Irrigation Pump Station





North Irrigation Station & Related Components



South Irrigation Pump Station



South Irrigation Pump Station related equipment





Pool Deck Pavers, Clubhouse Pavers, Tennis/Pickleball surface



Association roadway asphalt



Valley Drain Curbs & Catch Basins



WELLINGTON SHORES
Funds Available Worksheet - 2023

Board Meeting: Month Of	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Operating Cash:	\$ 103,711	\$ 96,256	\$ 109,417	\$ 116,162	\$ 94,324	\$ 100,588	\$ 93,852	\$ 107,301	\$ 101,625			
Prev Month's Ending Balances												
Add: PPD Expenses	8,386	14,161	4,083	5,138	28,167	26,140	31,125	28,945	32,946			
Less: PPD Maint Fees	(33,407)	(31,472)	(30,747)	(28,887)	(27,762)	(25,502)	(26,948)	(28,208)	(25,921)			
Accrued Expenses	(21,943)	(17,604)	(23,233)	(18,253)	(18,650)	(24,618)	(19,054)	(21,441)	(10,551)			
Two month cash reserves	(99,550)	(99,550)	(99,550)	(99,550)	(99,550)	(99,550)	(99,550)	(99,550)	(99,550)			
Capital Cont. to Reserve	(12,390)	(12,390)	(12,390)	(13,275)	-		(1,980)	(6,405)	(6,405)			
Funds Available	\$ (55,193)	\$ (50,599)	\$ (52,420)	\$ (38,665)	\$ (23,471)	\$ (22,942)	\$ (22,555)	\$ (19,358)	\$ (7,856)	\$ -	\$ -	\$ -
Prev Month's Reserve Balance	\$ 237,930	\$ 242,022	\$ 247,447	\$ 251,973	\$ 269,177	\$ 274,215	\$ 279,252	\$ 284,335	\$ 289,437			
Reserve Projects:												
Capital Cont. from Operating	12,390	12,390	12,390	13,275	-		1,980	6,405	6,405			
Reserve Funds Available	\$ 250,320	\$ 254,412	\$ 259,837	\$ 265,248	\$ 269,177	\$ 274,215	\$ 281,232	\$ 290,740	\$ 295,842	\$ -	\$ -	\$ -
A/R Delinquencies:												
Maintenance Fees												
Fines & Late Fees												
Total Delinquencies	\$ 10,550	\$ 5,830	\$ 8,765	\$ 10,040	\$ 4,494	\$ 4,149	\$ 6,965	\$ 8,085	\$ 5,195			

WELLINGTON SHORES ASSOCIATION, INC.

Proposed Operating Budget

January 1, 2024 - December 31, 2024

GL Account Number	Description	Monthly Approved Budget	Annual Approved Budget	Proposed Monthly Budget	Proposed Annual Budget
	REVENUE				
40000	Owner Assessments	55,563	666,753	60,975	731,703
40002-00	Reserve Income-	4,167	50,000	4,167	50,000
40011	Late Fee Income	0	0	0	0
40014	Legal Fee Income	0	0	0	0
40025	Returned Check Fees	0	0	0	0
40030	Screening Fees	0	0	0	0
40057	Gate Incident Income	0	0	0	0
40060	Gate/Key Cards	0	0	0	0
40065	Violation Fees	0	0	0	0
40068	Key Fob Income	0	0	0	0
40070	Auto Decals	0	0	0	0
40078	Late Fee Interest	0	0	0	0
40080	Interest Income	0	0	0	0
40081	Reserve Interest	0	0	0	0
40085	Bad Debt Recovery	0	0	0	0
40091-00	Miscellaneous Income-	0	0	0	0
40095	Prior Years Surplus/(Deficit)	0	0	0	0
40115-01	Administrative Fee - - Reminder Letter	0	0	0	0
40115-02	Administrative Fee - - Demand Letter	0	0	0	0

GL Account Number	Description	Monthly Approved Budget	Annual Approved Budget	Proposed Monthly Budget	Proposed Annual Budget
40115-03	Administrative Fee- - ATP	0	0	0	0
41010	House Charges	0	0	0	0
	**TOTAL REVENUE	59,729	716,753	65,142	781,703
	EXPENSES				
	**ADMINISTRATIVE				
50005	Accounting Fees	333	4,000	333	4,000
	Reserve Study			133	1,600
50012-00	Bad Debts	500	6,000	250	3,000
50015	Bank Charges	17	200	17	200
50045-00	Legal Fees	1,000	12,000	833	10,000
50045-18	Legal Fees- Foreclosure	150	1,800	150	1,800
50050-00	License, Taxes, Permit	40	480	40	480
50054	Administrative Collection Fee				
50057	Social Committee	208	2,500	250	3,000
50064-00	Administrative	200	2,400	200	2,400
50064-25	Administrative- Office Supplies	400	4,800	0	0
50555	Holiday Lighting	625	7,500	625	7,500
	**TOTAL	3,473	41,680	2,831	33,980
	**PROPERTY				
52030	Multiperil Insurance	1,963	23,552	3,333	40,000
	**TOTAL PROPERTY INSURANCE	1,963	23,552	3,333	40,000
	**UTILITIES				

GL Account Number	Description	Monthly Approved Budget	Annual Approved Budget	Proposed Monthly Budget	Proposed Annual Budget
54050-00	Electricity	4,506	54,076	5,833	70,000
54070-00	Water & Sewer	300	3,600	333	4,000
	**TOTAL UTILITIES	4,806	57,676	6,167	74,000
	**CONTRACTS				
60013	Cable Television & Internet	16,287	195,445	16,933	203,200
60021-30	Contracts- Generator (Fitness Equipment)	120	1,440	125	1,500
60065	Gate Maint Contract	150	1,800	204	2,450
60073	Irrigation Contract	824	9,888	875	10,500
60074	HVAC Systems	38	450	38	450
60075	Janitorial Service	950	11,400	1,000	12,000
60085	Lake & Littoral Maint	576	6,911	600	7,200
60090	Lawn & Grounds	4,500	54,000	4,667	56,000
61000	Management Services	2,052	24,624	4,647	55,764
61010	Pest Control	221	2,652	233	2,800
61011	Pest Control-Fertilizer, Weed & Insecticide	1,874	22,488	1,917	23,000
61020	Pool/Spa Contract	770	9,240	810	9,720
61021	Florida Mandated Pool Testing	745	8,940	0	0
61045-00	Security Services (Entrance)	2,756	33,069	3,097	37,165
61045-20	Security Services Monitoring (Clubhouse)	341	4,096	0	0
61046	Security Alarm Systems (Alpha)	2,299	27,584	2,130	25,564

GL Account Number	Description	Monthly Approved Budget	Annual Approved Budget	Proposed Monthly Budget	Proposed Annual Budget
61055	Trash Removal	100	1,200	100	1,200
	**TOTAL CONTRACTS	34,602	415,227	37,376	448,513
	**REPAIRS/MAINTEN				
70025	R&M-Bldg Handyman	500	6,000	500	6,000
70042	Easement Maintenance	42	500	42	500
70054	R&M-Gate	1,000	12,000	1,250	15,000
70077	Misc Repairs & Maintenance	833	10,000	1,000	12,000
70099	Foreclosure Maintenance	167	2,000	58	700
70120	R&M-Tennis Courts	84	1,010	84	1,010
70137	Irrigation Maintenance	1,000	12,000	1,000	12,000
70138	Trees--Trim/Replace	3,883	46,600	3,333	40,000
70149	Landscape Beautification	417	5,000	417	5,000
70166	Mulch	1,495	17,940	2,667	32,000
70175	Janitorial Supplies	167	2,000	167	2,000
70179	Hedge Trim Contract	797	9,568	417	5,000
70203-14	Fitness Center- R&M Equipment	167	2,000	167	2,000
70289-00	Contingency	167	2,000	167	2,000
	**TOTAL	10,718	128,618	11,268	135,210
	**RESERVE TRANSFERS				
80000-00	Reserve Transfers	4,167	50,000	4,167	50,000
80001	Reserve Interest	0	0	0	0

GL Account Number	Description	Monthly Approved Budget	Annual Approved Budget	Proposed Monthly Budget	Proposed Annual Budget
	Capital Contributions				
	**TOTAL RESERVE TRANSFERS	4,167	50,000	4,167	50,000
	**PRIOR YEAR ACTIVITY				
70298-00	Prior Year Expense	0	0	0	0
	**TOTAL PRIOR YEAR ACTIVITY	0	0	0	0
	**TOTAL EXPENSES	59,729	716,753	65,142	781,703
	Operating Net Income or Loss		0		0

Executive Summary

November 30, 2023

TOTAL CASH

Operating	\$109,314
Other	
Reserves	\$304,772
Security Deposits	
Special Assessment	-
Total Cash	\$414,086

OPERATING CASH

Beginning Cash	\$123,221
Change in Cash	(\$13,907)
Ending Cash	\$109,314
Less: Accruals	\$17,675
Less: Current Accounts Payable	
Adjusted Operating Cash	\$91,639

Total Cash Trend



ACCOUNTS RECEIVABLE SUMMARY

Receivable Type	Current	Over 30 Days	Over 60 Days	Over 90 Days	Balance
BC Return Check Fees	\$30			\$30	\$60
LF Late Fees	\$275	\$50	\$25	(\$20)	\$330
MM Maintenance Fees	(\$6,667)	(\$1,968)	(\$785)	(\$4,053)	(\$13,474)
UD Demand/30 Day Collection Notice	\$105				\$105
UF Reminder Collection Cost	\$60	\$10		(\$20)	\$50
VF Violation Fees				(\$100)	(\$100)
TOTAL	(\$6,197)	(\$1,908)	(\$760)	(\$4,163)	(\$13,029)

Executive Summary

November 30, 2023

INCOME STATEMENT SUMMARY

Income Recap

Account	Nov Actual	Nov Budget	Nov Variance	YTD Actual	YTD Budget	YTD Variance	2023 Total Budget	2023 Budget Remaining
TOTAL REVENUE	\$62,169	\$59,730	\$2,439	\$681,079	\$657,030	\$24,049	\$716,753	(\$35,674)
TOTAL EXPENSES	\$53,764	\$59,731	\$5,967	\$649,998	\$657,041	\$7,043	\$716,753	\$66,755
NET INCOME/(LOSS)	\$8,406	(\$1)	\$8,407	\$31,081	(\$11)	\$31,092	-	\$31,081

Expense Summary

Account	Nov Actual	Nov Budget	Nov Variance	YTD Actual	YTD Budget	YTD Variance	2023 Total Budget	2023 Budget Remaining
ADMINISTRATIVE	\$1,933	\$3,473	\$1,540	\$23,445	\$38,203	\$14,758	\$41,680	\$18,235
PROPERTY INSURANCE	\$2,886	\$1,963	(\$923)	\$27,535	\$21,593	(\$5,942)	\$23,552	(\$3,983)
UTILITIES	\$5,861	\$4,806	(\$1,055)	\$58,662	\$52,866	(\$5,796)	\$57,676	(\$986)
CONTRACTS	\$32,999	\$34,603	\$1,604	\$371,066	\$380,633	\$9,567	\$415,227	\$44,161
REPAIRS/MAINTENANCE	\$4,960	\$10,719	\$5,759	\$120,560	\$117,909	(\$2,651)	\$128,618	\$8,058
RESERVE TRANSFERS	\$5,124	\$4,167	(\$957)	\$54,802	\$45,837	(\$8,965)	\$50,000	(\$4,802)
PRIOR YEAR ACTIVITY				(\$6,073)	-	\$6,073		\$6,073



WELLINGTON SHORES ASSOCIATION, INC.

Executive Summary

November 30, 2023

CASH SUMMARY

Bank Code/Bank Name	Account Description	Beginning Balance	Increases	Decreases	Ending Balance
Operating					
OPR1 - VALLEY NATIONAL BANK OPR CHECK	OPERATING CHECKING ACCOUNT - VALLEY NATIONAL BANK OPR CHECK	\$23,352	\$82	-	\$23,433
OPR4 - CITY NATIONAL BANK OPR CLICK	OPERATING ACCOUNT - CITY NATIONAL BANK OPR CLICK	\$99,869	\$57,495	\$71,484	\$85,880
Total Operating		\$123,221	\$57,577	\$71,484	\$109,314
Reserves					
RSV3 - CITY NATIONAL BANK RSV MM	RESERVES MONEY MARKET - CITY NATIONAL BANK RSV MM	\$165,441	\$476	-	\$165,917
RSV1 - VALLEY NATIONAL BANK RSV MM	RESERVE MONEY MARKET ACCOUNT - VALLEY NATIONAL BANK RSV MM	\$134,207	\$4,648	-	\$138,856
Total Reserves		\$299,648	\$5,124	-	\$304,772
Total Cash		\$422,869	\$62,701	\$71,484	\$414,086



WELLINGTON SHORES ASSOCIATION, INC.

Balance Sheet

As of November 30, 2023

Account	Description	Current Month November	Prior Month October	Month Inc / (Dec)	Current Year November	Prior Year November	Year Inc / (Dec)
ASSETS							
**CURRENT ASSETS							
10010 22	Cash-Operating - 22 City National Bank	85,880	99,869	(13,989)	85,880	109,720	(23,839)
10010 564	Cash-Operating - 564 Valley National Bank	23,433	23,352	82	23,433	23,000	433
10200	Due (To)/From Reserves	14,824	14,824	0	14,824	2,434	12,390
10300	Accounts Receivable	7,264	4,714	2,550	7,264	7,630	(366)
10390	Allowance/Bad Debts	(4,714)	(4,714)	0	(4,714)	(7,630)	2,916
10500	Prepaid Insurance	14,044	16,930	(2,886)	14,044	8,101	5,943
10505	Prepaid Expenses	1,164	2,328	(1,164)	1,164	820	344
10005	Petty Cash	250	250	0	250	250	0
**TOTAL CURRENT ASSETS		\$142,145	\$157,553	(\$15,408)	\$142,145	\$144,324	(\$2,179)
**RESTRICTED FUNDS							
12010 22	Cash-Reserves - 22 City National Bank	165,917	165,441	476	165,917	82	165,835
12010 241	Cash-Reserves - 241 Valley National Bank	138,856	134,207	4,648	138,856	233,665	(94,810)
12045	Due (To)/From Operating	(14,824)	(14,824)	0	(14,824)	(2,434)	(12,390)
**TOTAL RESTRICTED FUNDS		\$289,949	\$284,825	\$5,124	\$289,949	\$231,314	\$58,635
**OTHER ASSETS							
19010	Utility Deposits	481	481	0	481	481	0
**TOTAL OTHER ASSETS		\$481	\$481	\$0	\$481	\$481	\$0
**TOTAL ASSETS		\$432,575	\$442,859	(\$10,283)	\$432,575	\$376,119	\$56,456

LIABILITIES

****CURRENT LIABILITIES**

Entity: 4B71
Executed: 12/14/2023 07:17 PM

Balance Sheet
Page 1 of 2



WELLINGTON SHORES ASSOCIATION, INC.

Balance Sheet

As of November 30, 2023

Account	Description	Current Month November	Prior Month October	Month Inc / (Dec)	Current Year November	Prior Year November	Year Inc / (Dec)
20000	Accounts Payable	0	19,656	(19,656)	0	1,561	(1,561)
20010	Accrued Expenses	17,675	20,213	(2,538)	17,675	21,050	(3,375)
20080	Security Deposits	22,500	22,500	0	22,500	25,450	(2,950)
20081	Rental Fees	2,100	2,100	0	2,100	1,350	750
20100	Prepaid Assessments	20,293	22,798	(2,505)	20,293	18,212	2,080
**TOTAL CURRENT LIABILITIES		\$62,568	\$87,266	(\$24,699)	\$62,568	\$67,623	(\$5,056)
**RESERVE LIABILITIES							
30000 00	Reserves - 00	241,455	237,288	4,167	241,455	192,437	49,018
30080	Reserve-Interest	48,494	47,536	958	48,494	38,877	9,617
**TOTAL RESERVE LIABILITIES		\$289,949	\$284,825	\$5,124	\$289,949	\$231,314	\$58,635
**TOTAL LIABILITIES		\$352,516	\$372,091	(\$19,574)	\$352,516	\$298,937	\$53,579
**MEMBERS EQUITY							
38010	Capital Contribution	21,450	20,565	885	21,450	11,505	9,945
38880	Fund Balance	27,528	27,528	0	27,528	35,076	(7,548)
Current Year Net Income/ (Loss)		31,081	22,675	8,406	31,081	30,601	480
**TOTAL MEMBERS EQUITY		\$80,059	\$70,768	\$9,291	\$80,059	\$77,182	\$2,877
**TOTAL LIABILITIES & EQUITY		\$432,575	\$442,859	(\$10,283)	\$432,575	\$376,119	\$56,456

Income Statement

November 30, 2023

Account	Description	Nov Actual	Nov Budget	Nov Variance	Nov Pct Var	YTD Actual	YTD Budget	YTD Variance	YTD Pct Var	2023 Total Budget	2023 Budget Remaining
Entity: 4B71-WELLINGTON SHORES ASSOCIATION, INC.											
REVENUE											
40000	Owner Assessments	55,563	55,563	0	0.0%	611,197	611,193	4	0.0%	666,753	(55,556)
40002	Reserve Income	4,167	4,167	0	0.0%	45,833	45,837	(4)	0.0%	50,000	(4,167)
40011	Late Fee Income	325	0	325	0.0%	3,400	0	3,400	0.0%	0	3,400
40014	Legal Fee Income	0	0	0	0.0%	30	0	30	0.0%	0	30
40025	Returned Check Fees	30	0	30	0.0%	300	0	300	0.0%	0	300
40030	Screening Fees	400	0	400	0.0%	1,776	0	1,776	0.0%	0	1,776
40060	Gate/Key Cards	210	0	210	0.0%	1,335	0	1,335	0.0%	0	1,335
40065	Violation Fees	0	0	0	0.0%	100	0	100	0.0%	0	100
40070	Auto Decals	0	0	0	0.0%	420	0	420	0.0%	0	420
40078	Late Fee Interest	0	0	0	0.0%	75	0	75	0.0%	0	75
40079	Clubhouse Income	250	0	250	0.0%	850	0	850	0.0%	0	850
40080	Interest Income	82	0	82	0.0%	813	0	813	0.0%	0	813
40081	Reserve Interest	958	0	958	0.0%	8,969	0	8,969	0.0%	0	8,969
40085	Bad debt Recovery	0	0	0	0.0%	3,416	0	3,416	0.0%	0	3,416
40115	Administrative Fee	185	0	185	0.0%	2,565	0	2,565	0.0%	0	2,565
REVENUE TOTAL:		\$62,169	\$59,730	\$2,439	4.1%	\$681,079	\$657,030	\$24,049	3.7%	\$716,753	(\$35,674)

EXPENSES											
ADMINISTRATIVE											
50005	Accounting Fees	333	333	0	0.0%	3,663	3,663	0	0.0%	4,000	337
50012	Bad Debts	0	500	500	100.0%	0	5,500	5,500	100.0%	6,000	6,000
50015	Bank Charges	0	17	17	100.0%	240	187	(53)	-28.3%	200	(40)
50045	Legal Fees	1,120	1,000	(120)	-12.0%	4,465	11,000	6,535	59.4%	12,000	7,535
50045	Legal Fees Foreclosure	0	150	150	100.0%	0	1,650	1,650	100.0%	1,800	1,800
50050	License, Taxes, Permit	(25)	40	65	>100%	386	440	54	12.2%	480	94
50057	Social Committee	0	208	208	100.0%	0	2,288	2,288	100.0%	2,500	2,500

Income Statement

November 30, 2023

Account	Description	Nov Actual	Nov Budget	Nov Variance	Nov Pct Var	YTD Actual	YTD Budget	YTD Variance	YTD Pct Var	2023 Total Budget	2023 Budget Remaining
50064	Administrative Office Supplies	400	400	0	0.0%	4,549	4,400	(149)	-3.4%	4,800	251
50064	Administrative	105	200	95	47.5%	2,895	2,200	(695)	-31.6%	2,400	(495)
50555	Holiday Lighting	0	625	625	100.0%	7,247	6,875	(372)	-5.4%	7,500	253
ADMINISTRATIVE TOTAL:		\$1,933	\$3,473	\$1,540	44.3%	\$23,445	\$38,203	\$14,758	38.6%	\$41,680	\$18,235
PROPERTY INSURANCE											
52030	Multiperil Insurance	2,886	1,963	(923)	-47.0%	27,535	21,593	(5,942)	-27.5%	23,552	(3,983)
PROPERTY INSURANCE TOTAL:		\$2,886	\$1,963	(\$923)	-47.0%	\$27,535	\$21,593	(\$5,942)	-27.5%	\$23,552	(\$3,983)
UTILITIES											
54050	Electricity	5,597	4,506	(1,091)	-24.2%	56,332	49,566	(6,766)	-13.7%	54,076	(2,256)
54070	Water & Sewer	265	300	35	11.8%	2,330	3,300	970	29.4%	3,600	1,270
UTILITIES TOTAL:		\$5,861	\$4,806	(\$1,055)	-22.0%	\$58,662	\$52,866	(\$5,796)	-11.0%	\$57,676	(\$986)
CONTRACTS											
60013	Cable Television & Internet	16,757	16,287	(470)	-2.9%	178,970	179,157	187	0.1%	195,445	16,475
60021	Contracts Generator	0	120	120	100.0%	0	1,320	1,320	100.0%	1,440	1,440
60065	Gate Maint Contract	0	150	150	100.0%	319	1,650	1,331	80.7%	1,800	1,481
60073	Irrigation Contract	180	824	644	78.2%	8,268	9,064	796	8.8%	9,888	1,620
60074	HVAC Maintenance	0	38	38	100.0%	0	418	418	100.0%	450	450
60075	Janitorial Service	1,000	950	(50)	-5.3%	10,592	10,450	(142)	-1.4%	11,400	808
60085	Lake & Littorial Maint	576	576	0	0.0%	6,335	6,336	1	0.0%	6,911	576
60090	Lawn & Grounds Management Services	4,326	4,500	174	3.9%	49,886	49,500	(386)	-0.8%	54,000	4,114
61000	Management Services	2,052	2,052	0	0.0%	22,572	22,572	0	0.0%	24,624	2,052
61010	Pest Control	117	221	104	47.1%	2,327	2,431	104	4.3%	2,652	325
61011	Pest Control-Fertilizer	1,802	1,874	72	3.8%	23,822	20,614	(3,208)	-15.6%	22,488	(1,334)
61020	Pool/Spa Contract	770	770	0	0.0%	8,470	8,470	0	0.0%	9,240	770
61021	Florida Mandated Pool Testing	0	745	745	100.0%	0	8,195	8,195	100.0%	8,940	8,940

Income Statement

November 30, 2023

Account	Description	Nov Actual	Nov Budget	Nov Variance	Nov Pct Var	YTD Actual	YTD Budget	YTD Variance	YTD Pct Var	2023 Total Budget	2023 Budget Remaining
61045	Security Services	2,756	2,756	0	0.0%	30,207	30,316	109	0.4%	33,069	2,862
61045	Security Services Monitoring	341	341	0	-0.1%	3,755	3,751	(4)	-0.1%	4,096	341
61046	Security Alarms (Homes)	2,266	2,299	33	1.4%	24,925	25,289	364	1.4%	27,584	2,659
61055	Trash Removal	56	100	44	43.8%	618	1,100	482	43.8%	1,200	582
CONTRACTS TOTAL:		\$32,999	\$34,603	\$1,604	4.6%	\$371,066	\$380,633	\$9,567	2.5%	\$415,227	\$44,161

REPAIRS/MAINTENANCE

70025	R&M-Bldg Handyman	0	500	500	100.0%	6,760	5,500	(1,260)	-22.9%	6,000	(760)
70042	Easement Maintenance	0	42	42	100.0%	0	462	462	100.0%	500	500
70054	R&M-Gate	1,826	1,000	(826)	-82.6%	19,274	11,000	(8,274)	-75.2%	12,000	(7,274)
70077	Misc Repairs & Maintenance	505	833	328	39.4%	17,684	9,163	(8,521)	-93.0%	10,000	(7,684)
70099	Foreclosure Maintenance	0	167	167	100.0%	0	1,837	1,837	100.0%	2,000	2,000
70120	R&M-Tennis Courts	263	84	(179)	<-100%	7,400	924	(6,476)	<-100%	1,010	(6,390)
70137	Irrigation Maintenance	0	1,000	1,000	100.0%	13,734	11,000	(2,734)	-24.9%	12,000	(1,734)
70138	Tree Trim/Replace	767	3,883	3,116	80.3%	6,133	42,713	36,580	85.6%	46,600	40,467
70149	Landscaping - Beautification	0	417	417	100.0%	6,245	4,587	(1,658)	-36.1%	5,000	(1,245)
70166	Mulch/Soil Common	0	1,495	1,495	100.0%	39,736	16,445	(23,291)	<-100%	17,940	(21,796)
70175	Janitorial Supplies	0	167	167	100.0%	344	1,837	1,493	81.3%	2,000	1,656
70179	Hedge Trimming Contract	0	797	797	100.0%	0	8,767	8,767	100.0%	9,568	9,568
70203	Fitness Center R&M Equipment	0	167	167	100.0%	1,651	1,837	186	10.1%	2,000	349
70289	Contingency	1,600	167	(1,433)	<-100%	1,600	1,837	237	12.9%	2,000	400
REPAIRS/MAINTENANCE TOTAL:		\$4,960	\$10,719	\$5,759	53.7%	\$120,560	\$117,909	(\$2,651)	-2.2%	\$128,618	\$8,058

RESERVE TRANSFERS

80000	Reserve Transfers	4,167	4,167	0	0.0%	45,833	45,837	4	0.0%	50,000	4,167
-------	-------------------	-------	-------	---	------	--------	--------	---	------	--------	-------

Income Statement

November 30, 2023

Account	Description	Nov Actual	Nov Budget	Nov Variance	Nov Pct Var	YTD Actual	YTD Budget	YTD Variance	YTD Pct Var	2023 Total Budget	2023 Budget Remaining
80001	Reserve Interest	958	0	(958)	0.0%	8,969	0	(8,969)	0.0%	0	(8,969)
	RESERVE TRANSFERS TOTAL:	\$5,124	\$4,167	(\$957)	-23.0%	\$54,802	\$45,837	(\$8,965)	-19.6%	\$50,000	(\$4,802)
PRIOR YEAR ACTIVITY											
70298	Prior Year Expense	0	0	0	0.0%	(6,073)	0	6,073	0.0%	0	6,073
	PRIOR YEAR ACTIVITY TOTAL:	\$0	\$0	\$0	0.0%	(\$6,073)	\$0	\$6,073	0.0%	\$0	\$6,073
	TOTAL EXPENSES:	\$53,764	\$59,731	\$5,967	10.0%	\$649,998	\$657,041	\$7,043	1.1%	\$716,753	\$66,755
	NET INCOME/ (LOSS):	8,406	(1)	\$8,407	<-100%	31,081	(11)	31,092	<-100%	0	31,081

Definitions

AMORTIZED DEFICIT: A deficit is created when the association's reserve fund balance falls below the minimum threshold set by the reserve analyst and or the board over the 20-year reserve analysis. A deficit is typically created when the starting reserve balance plus the normal annual contributions are insufficient to cover the replacement of capital expenses over a period of 20 years. A deficit can occur once and or multiple times over a period of the 20-year analysis. For example: The minimum reserve threshold balance is \$50,000 and the normal annual contribution is \$60,000. During the analysis, if in year 5 the association's reserve fund balance is a negative \$20,000, we would need to add \$70,000 in order to maintain the minimum threshold of \$50,000 in year 5. This \$70,000 is not charged to that year's contribution but amortized into the previous years for a more equitable distribution of the deficit. The \$70,000 would then be divided by the preceding 5 years with an amortized deficit of \$14,000 a year. The new Annual Contribution would then be \$74,000 (\$60,000 + \$14,000) for the next 5 years.

ASSOCIATION: For the purposes of this document "Association" shall encompass Community Associations, schools, commercial buildings, mutual utility properties, worship facilities, and any other entity interested in the long-range planning for the maintenance and replacement of the major components.

CAPITAL EXPENDITURE(S): Any expenditure of funds related to the maintenance and or replacement of an asset that has a greater life expectancy than 1 year.

CAPITAL IMPROVEMENTS: Additions to the association's common elements that previously did not exist. While these components should be added to the reserve study for future replacement, the cost of construction should not be taken from the reserve fund.

CASH FLOW METHOD: A method of developing a reserve funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

COMPONENT(S): The individual assets listed in the reserve analysis section of the report within the reserve study. These assets form the building blocks for the reserve study. These components comprise the common elements of the community and typically are: 1. association responsibility, 2. with limited useful life expectancies, 3. predictable remaining useful life expectancies, and 4. above a minimum threshold cost. It should be noted that in certain jurisdictions there may be statutory requirements for including components or groups of components in the reserve study.

COMPONENT ASSESSMENT AND VALUATION: The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve Components. This task is accomplished either with or without onsite visual observations, based on Level of Service selected by the client.

COMPONENT INVENTORY: The task of selecting and quantifying reserve components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, review of association precedents, and discussion with appropriate representative(s) of the association.

COMPONENT METHOD: A method of developing a reserve funding plan where the total contribution is based on the sum of contributions for the individual components.

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

CURRENT COST: A component's current replacement cost as of the date of the financial analysis. Current cost may be less or greater than the total replacement cost depending on the defined replacement scope.

DEFICIT: An actual (or projected) Reserve Balance less than the Fully Funded Balance. The opposite would be a Surplus.

ECONOMIC LIFE: the portion of the total life of a property up until the infrastructure is no longer economically viable to maintain and a significant reinvestment, rebuilding, or renovation is necessary.

EFFECTIVE AGE: The difference between useful life and remaining useful life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

FINANCIAL ANALYSIS: The portion of a reserve study where the current status of the reserves (measured as cash or percent funded) and a recommended reserve contribution rate (funding plan) are derived, and the projected reserve income and expense over a period of time are presented. The financial analysis is one of the two parts of a reserve study.

FULL STUDY: Complete qualitative and quantitative study, includes site visit.

FULLY FUNDED: 100 percent funded. When the actual reserve balance of the association is equal to the fully funded balance/total accrued depreciation.

FULLY FUNDED BALANCE (FFB): Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve Balance can be compared. In essence, it is the Reserve Balance that is proportional to the current Repair/replacement cost and the fraction of life “used up”. This number is calculated for each Component, then summed together for an Association total. Two formulae can be utilized, depending on the provider’s sensitivity to interest and inflation effects. Note: both yield identical results when interest and inflation are equivalent.

FFB = Current Cost X Effective Age divided by Useful Life Example: For a component with a \$10,000 current replacement cost, a 10-year useful life and effective age of 4 years the fully funded balance would be \$4,000.

FUND STATUS: The status of the reserve fund reported in terms of cash or percent funded.

FUNDING GOALS: Independent of methodology used, the following represent the basic categories of funding plan goals. They are presented in order of greatest risk to least risk. Risk includes, but is not limited to, cash problems, special assessments, and deferred maintenance.

Baseline Funding: Establishing a reserve funding goal of allowing the reserve cash balance to never fall below zero (\$0) during the cash flow projection period of 20 or 30 years. This is the funding goal with the greatest risk due to the variabilities encountered in the timing of component replacements and repair and replacement costs.

Threshold Funding: Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount. Depending on the threshold selected, this funding goal may be weaker or stronger than “Fully Funded” with respective higher risk or less risk of cash problems.

Full Funding: Setting a reserve funding goal to attain and maintain reserves at or near 100 percent funded. This is the most conservative funding goal. It should be noted that in certain jurisdictions there may be statutory funding requirements that would dictate the minimum requirements for funding.

FUNDING PLAN: An association’s plan to provide income to a reserve fund to offset anticipated expenditures from that fund. The plan must be a minimum of twenty (20) years.

INFLATED EXPENDITURES: The combined annual expenditures for a given year inflated to reflect their estimated future replacement cost.

INFLATIONARY MULTIPLIER: The number multiplies by the annual expenditures to estimate the future replacement cost. If inflation was currently projected at 3%, the initial year multiplier would be 1.00, Next Year 1.03, Next year 1.061, etc.

LIFE AND VALUATION ESTIMATES: The task of estimating useful life, remaining useful life, and current repair or

replacement costs for the reserve components.

NORMAL ANNUAL CONTRIBUTION: Calculated using the individual component's replacement cost divided by the useful life of that particular component item. For example, a roof costing \$50,000 with a useful life of 20 years would create a normal annual contribution of \$2,500. The normal annual contribution can be different from the annual contribution if a deficit is created in the association's reserve fund balance over a period of 20 years. See "amortized deficit" above.

PERCENT FUNDED: The ratio, at a particular point in time, of the actual (or projected) reserve balance to the fully funded balance, expressed as a percentage. While percent funded is an indicator of an association's reserve fund size, it should be viewed in the context of how it is changing due to the association's reserve funding plan in light of the association's risk tolerance.

PHYSICAL ANALYSIS: The portion of the reserve study where the component inventory, condition assessment, and life and valuation estimate tasks are performed. This represents one of the two parts of the reserve study.

QUANTITY: The total Quantity of each Component.

READILY ACCESSIBLE: Can be reached, entered, or viewed without difficulty, moving obstructions, or requiring any action which may harm or endanger persons or property.

REMAINING USEFUL LIFE (RUL): Also referred to as "remaining life" (RL). The estimated time, in years, that a reserve component can be expected to serve its intended function. Projects expected to occur in the initial year have zero remaining useful life.

REPLACEMENT COST: The cost to replace, repair, or restore the component to its original functional condition during that particular year, including all related expenses (including but not limited to shipping, engineering, and design, permits, installation, disposal, etc.).

RESERVE ANALYST: A person who prepares Reserve Studies.

RESERVE ASSESSMENT: The portion of assessments contributed to the Reserve Fund.

RESERVE BALANCE: Actual or projected funds, as of a particular point in time that the association has identified, to defray the future repair or replacement cost of those major components that the association is obligated to maintain

or replace. Also known as reserves, reserve accounts, cash reserves. Based on information provided and not audited.

RESERVE FUND: Those funds set aside for the future repair, replacement, or restoration of the Reserve Components.

RESERVE PROVIDER: An individual who prepares reserve studies. In many instances the reserve provider will possess a specialized designation such as the Reserve Specialist (RS) designation provided by Community Associations Institute (CAI). Another important designation is the Professional Reserve Analyst (PRA) which is a designation/credentials provided by the Association of Professional Reserve Analyst. These designation(s) indicates that the provider has shown the necessary skills to perform a reserve study that conforms to these standards.

RESERVE CATEGORY(IES): Major asset category types created for the association, for example: Roofing, Painting, Paving, Pool, Replace & Restoration, etc. Each major category will have individual components/assets that are related to the major category.

RESERVE PROVIDER FIRM: A company that prepares reserve studies as one of its primary business activities.

RESERVE STUDY: A budgeting tool which identified the current status of the Reserve Fund and a stable and equitable Funding Plan to offset the anticipated future “major common area expenditures”. The Reserve Study consists of two parts: the Physical Analysis and the Financial Analysis.

SITE VISIT: A visit to the common areas of the Association for the purposes of determining the Component Inventory and the Component Assessment and Valuation.

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 applicable statutes.

STATUTORY FUNDINGS: Establishing a Reserve Funding Goal of setting aside the specific minimum amount of funds required by applicable statutes.

STRAIGHT LINE: A formula used to calculate the annual Reserve Fund contribution for a specific Component. Projected replacement cost divided by the Useful Life equals the annual payment.

UNIT COST: The cost of a Component. The Unit Cost is multiplied by the Component’s Quantity to obtain the total estimated replacement cost for the Component.

UNIT OF MEASURE: Refers to the method of measurement applied to a particular Component. The following are examples:

Square Feet

Lineal Feet or Linear Feet

Each

Square Yards

Lump Sum

Squares

UPDATE WITH SITE VISIT: Qualitative only update and review study, includes site visit.

UPDATE WITHOUT SITE VISIT: Financial only update study, does not include site visit.

USEFUL/NORMAL LIFE (UL): The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed in its present application or installation.

PRODUCT & MATERIAL
PRICING ~ DESCRIPTIONS ~ LONGEVITY
RESOURCES

Marshall & Swift Publications (Corelogic) – monthly/quarterly pricing updates)

“Marshall Valuation Service Manual” is a national authoritative pricing guide for developing replacement cost, insurable values, equipment cost, depreciation, and normal useful lives on nearly every type of equipment or improved property. This on-line software is a national authoritative pricing guide for developing replacement cost valuation of commercial and agricultural properties.

Additional Resources: local consulting trade contractors, invoices & contracts collected in current and prior years from similar types of associations and cooperatives in your local area.

PARTIAL LISTING OF CONSULTING CONTRACTORS

Company Name	Phone Number	Contact Name	Type of Service	Website Address
ACE Courts	407-702-3690	Jeff Snodgrass	Sports Courts	www.acecourtsinc.com
A-1 Appliance Repair	561-232-9411	Fred Kaye	Repair on all Major Appliances	www.A1appliancefla.com
Adel Resurfacing Company	561-848-3973	Marty Adel	Asphalt & Concrete Paving	
Advance Roofing, Inc.	954-522-6868	Randy Gibson	Roofing	
Alenac & Associates	954-558-4131	Ann Klecan	Railing, Fencing, Shutters, Restoration	www.alenacmetals.com
All County Pavement Management	561-588-0949		Paving Contractor, Repair and Maintenance	https://allcountypaving.com/
Allied Universal Security Services	954-698-5888		Security Services	www.aus.com
All Pro Painting & Waterproofing	561-482-1855		Painting, Waterproofing, Restoration	www.allpropaintfl.com
APB Security, Inc.	754-367-1951	Tom Acosta	Security Gaurds, Monitoring, Officers	www.apbinc.com
Asphalt Restoration Technology	800-254-4732		Asphalt & Concrete Paving	
Bass United Fire & Security System	800-372-2770	Brad Hiddon/Linda	Fire Alarm & Sprinkler, Security & Camera Systems	www.bassunited.com
BB&T Bank	561-251-1980	Jayme Gelfand	Community Banking Specialist	
Beautiful Mailbox	305-403-4820	Sheri Corsetti	Mailboxes & Street Signs	www.beautifulmailbox.com/
Becker & Poliakoff, PA	954-987-7550	Kenneth Direktor	Attorney	www.beckerlawyers.com
Best Roofing	888-723-2378	Gregg Wallick	Roofing	www.bestroofing.net
Billerreinhardt Engineering Group	954-951-9006	Kristen Forman	Structural Engineer	
B.P. Taurinski Engineering	561-997-6141	John Bygott	Stuctural Engineer	
Botanical Visions, Inc.	561-361-6677	William Reeves	Horticulturalist/ Landscaping	www.botanicalvisions.com
Boynton Billards	561-543-0928	Josh Gibson	Game Room related products	www.boyntonbilliards.com
Budget Signs, Inc.	954-941-5710	April Simmons	Signs, Mailboxes & Monuments	www.signsatsimmonsdesigngroup.com
Carousel Construction	561-272-3700	Michael Bianchini	Concrete Restorations	www.cdri.net
Caulfield & Wheeler	561-392-1991		Survey /Civil Engineering	www.cwi-assoc.com
Centennial Bank	561-236 3378	Jennifer Olson/Kathy Naughton	Community Banking Specialist	www.my100bank.com
Center State Bank	561-237-2991	Martha MaDan	Community Banking Specialist	
Chalaire & Associates Engineering	561-848-7055	Donald Chalaire	Engineering- buildings, seawall & Docks	www.chalaireandassociates.com
Circle Generator Service	954-767-8331	Karl Schibinger	Generator	www.circlegenerators.com
Citiquiet Windows & Doors	561-241-9463	Benjamin Friedman	Windows & Doors	www.citiquiethurricanewindows.com
Climate Control Services	561-278-7125	Chuck Walker	Air Conditioning Serv.	
Chapnick Community Association Law	561-330-3096	Michael Chapnick	Attorney	www.michaelchapnick.com
Coastal Painting	800-320-8083		Painting, Waterproofing, Restoration	www.coastalpaintingcompany.com
Conduu Web Soulution/IBA	561-602-5688	Bob Currie	Website, apps & Software for Mgmt, HOA & COA	https://conduu.com/

Company Name	Phone Number	Contact Name	Type of Service	Website Address
Community Associaiton Institute	561-716-3646	Michele Bilawsky	Chapter Executive Director	
Core Logic/Marshall Valuation Service	800-526-2756		Building Cost Estimator	
Culpepper Plumbing /Advantage Rooter	561-478-7878	Tom Fucarile	Lift Station, Plumbing Risers, Septic tank	www.culpepperplumbing.com
Daniello & Associates, Inc.	561-835-4788	Lou Daniello	Concrete Restorations, Painting & Water Proofing,	www.concreterepairing.net
Decks & Docks Lumber Company	561-609-9925	Scott Boelman	Decks,Docks, Piers, and Seawall	www.decks-docks.com
Decktight Roofing Services	800-825-7663	Randy Bender	Roofing-Miami Skyline	www.decktight.com
Dock & More Construction Company	561-753-3600	Patrick Dabney	Docks & Seawalls	https://docksmore.com/
Driveway Maintenance Inc.	561-848-4004	Nick Small	Asphalt & Concrete Paving	www.driveway.net
Dry-Concepts	954-370-7778		Mold Remediation & Disaster Restoration	www.dryconcepts.com
Duct Masters	954-791-4111	Roger Herde	Air Conditioning & Consultation, Duct Cleaning	www.ductmasters.com
Dykes, Stevens & Co. CPA	561-392-4228	Scott Stevens	CPA, Accounting & Audit	
Boca Dock & Seawall	561-750-4255	Ken Wells/ Gary	Docks & Seawalls	
Elcon Electronic	800-446-8915		Street Lighting & Electric Service	www.elconelectric.com
Erosion Barrier Installations	954-680-8603		Lake Erosion, Retaining & Seawall	www.erosionbarrier.com
Fast Dry Courts, Inc.	954-979-3111		Sports Courts	www.fast-dry.com
Florida Playgrounds	800-715-7617	Manny Espaillat	Playgrounds Design, Repair, Surfacing & Shade	www.floridaplaygrounds.net
Florida Sidewalk Solutions	954-514-7218		Sidewalk Repairs	www.floridasidewalksolutions.com
Fuoco Group, LLC. CPA	561-367-2960		CPA, Accounting & Audit	www.fuoco.com
Hafer Accounting, CPA	561-655-8700	Nicole Johnson	CPA, Accounting, Consulting & Audit	www.hafercpas.com
Hartzel Painting	954-957-9761		Painting, Waterproofing, Restoration	www.myhartzell.com
Hoover Pumping Systems	954-971-7350	Donna Hoover	Irrigation Pump Stations	www.hooverpumping.com
Howard J. Miller PA & Associates	561-392-2326	Steve Young	Engineering	
HVAC Masters LLC.	786-577-4829	Carlo or Monique	A/C, Cooling & Heating	www.hvacmastersfl.com
Industrial Engineering Services	800-432-6304	Carol	Mechanical Contractor, Pipe installation	
James C. Witteck, INC	772-215-8965	James Witteck	Lift Stations & Waste Water Treatment Plant Maint.	
J. B. Painting & Waterproofing	800-228-3992	Jim Brown	Painting, Waterproofing, Restoration	https://jbpaint.com
Kaye & Bender	954-928-0680	Michael Bender	Attorney	www.kbrlegal.com
Kids Stuff Play Systems	800-255-0153	Dick Hagelberg	Playgrounds, Repair, Surfacing & Shade	www.kidstuffplaysystems.com
Lake & Wetland Management	561-220-4380		Lake & Wetland Management	www.lakeandwetland.com
Landmark Elevator Consultants	954-785-1947	Peter Hofmeister	Consultant	www.landmarkelevatorconsultants.com
The Loomis Company	954-772-0448	Hector Medina	Insurance	www.loomisco.com
Merlin Law Group, PA	877-449-4700	Chip Merlin	Attorney,Insurance Claims	https://www.merlinlawgroup.com

Company Name	Phone Number	Contact Name	Type of Service	Website Address
Mr Rooter Plumbing	800-863-5874		Plumbing & Drains	https://www.mrrooter.com/
OK Generator	800-385-3187		generator company	http://www.okgenerators.com
Onmy & O'Donnell, Naccarto, Mignogna	561-835-9994	Joseph Mincuzzi	Structural Engineer	https://www.onmj.net/
Plastridge Insurance Agency	561-276-5221	Mike Bottcher	Association Insurance Agent	https://www.plastridge.com/
Railsback Pump & Control Services	954-792-6627	George/Pam	Fire pumps, Replace, Repair & Rebuilt	
Ranger Construction	561-793-9400	Brill Maxwell	Asphalt Paving	http://www.rangerconstruction.com/
RCI Painting	954-978-1213	Marcel Rosen	Painting Company	
Rick Carroll Insurance	800-290-3181	Keith Carroll	Insurance Agent	https://www.rickcarroll.com/
Robert Dunn Signs	561 969-3296	Robert Dunn	Stop signs, street signs etc.	www.robertdunnsigns.com
Roof-A-Cide	800-806-6727	John Browne	Roof Cleaning	https://roof-a-cide.com/
Solitude Lake Management	561-293-4809	Gary Wilhem	wetland, Aeration, weed control, Erosion	www.solitudelakemanagement.com
Sachs, Sax & Caplan	561-994-4499	Lou Caplan	Attorney	https://ssclawfirm.com
Sailfish Mechanical & Plumbing	561-303-4413	Kim Micolo	Pool Heater, A/C, Boiler, Pumps	https://sailfishmechanical.com
Shenandoah Construction	954-975-0098	Danny DiMura	Pipes & Drainage Clean/Repairs	www.shenandoahconstruction.com
South Florida Mailbox	561-389-2491	Klye Koteles	Mailboxes	www.southfloridamailbox.com
Southern Chute	866-475-9191		Trash Chutes	ww.southernchute.com
Southern Park & Play Systems, Inc.	800-247-1545	Larry Thompson	Playground and Park Equipment	http://www.southernparkandplay.com
Sullivan Electric & Pump, Inc.	561-588-5886	Gary Sullivan	Irrigation, Pump, Motor, Electric services	http://www.sullivanelectric-pump.com
Symbiont Service Corp.	800-881-4328		Pool Heating, cooling, A/C	https://symbiontservice.com/
The Nidy Co./ Vasco Group	800-226-6439		Sports Courts	www.nidy-sports.thevascogroup.com/
Turf Kingdom	561-630-8733	Linda DiAlfonso	Turf installation	https://turfkingdom.com/
Victory Accounting Services, Inc.	561-739-7990	Vicki Feicht	Accounting	www.victoryaccounting.com
Whiting Construction	772-223-1215	Gene Whiting	General Contractor	
Zabatt Generators, Inc.	800-366-1323		Generators	www.zabatt.com

Florida Statutes - Chapter 720

Florida Statutes 720.303 (Homeowner Associations)

(6) BUDGETS.—

(a) The association shall prepare an annual budget that sets out the annual operating expenses. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges paid for by the association for recreational amenities, whether owned by the association, the developer, or another person. The association shall provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member. The copy must be provided to the member within the time limits set forth in subsection (5).

(b) In addition to annual operating expenses, the budget may include reserve accounts for capital expenditures and deferred maintenance for which the association is responsible. If reserve accounts are not established pursuant to paragraph (d), funding of such reserves is limited to the extent that the governing documents limit increases in assessments, including reserves. If the budget of the association includes reserve accounts established pursuant to paragraph (d), such reserves shall be determined, maintained, and waived in the manner provided in this subsection. Once an association provides for reserve accounts pursuant to paragraph (d), the association shall thereafter determine, maintain, and waive reserves in compliance with this subsection. This section does not preclude the termination of a reserve account established pursuant to this paragraph upon approval of a majority of the total voting interests of the association. Upon such approval, the terminating reserve account shall be removed from the budget.

(c)1. If the budget of the association does not provide for reserve accounts under paragraph (d), or the declaration of covenants, articles, or bylaws do not obligate the developer to create reserves, and the association is responsible for the repair and maintenance of capital improvements that may result in a special assessment if reserves are not provided or not fully funded, each financial report for the preceding fiscal year required by subsection (7) must contain the following statement in conspicuous type:

THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS REGARDING THOSE ITEMS. OWNERS MAY ELECT TO PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS UNDER SECTION 720.303(6), FLORIDA STATUTES, UPON OBTAINING THE APPROVAL OF A MAJORITY OF THE TOTAL VOTING INTERESTS OF THE ASSOCIATION BY VOTE OF THE MEMBERS AT A MEETING OR BY WRITTEN CONSENT.

2. If the budget of the association does provide for funding accounts for deferred expenditures, including, but not limited to, funds for capital expenditures and deferred maintenance, but such accounts are not created or established under paragraph (d), each financial report for the preceding fiscal year required under subsection (7) must also contain the following statement in conspicuous type:

THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO

PROVIDE FOR RESERVE ACCOUNTS UNDER SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

(d) An association is deemed to have provided for reserve accounts upon the affirmative approval of a majority of the total voting interests of the association. Such approval may be obtained by vote of the members at a duly called meeting of the membership or by the written consent of a majority of the total voting interests of the association. The approval action of the membership must state that reserve accounts shall be provided for in the budget and must designate the components for which the reserve accounts are to be established. Upon approval by the membership, the board of directors shall include the required reserve accounts in the budget in the next fiscal year following the approval and each year thereafter. Once established as provided in this subsection, the reserve accounts must be funded or maintained or have their funding waived in the manner provided in paragraph (f).

(e) The amount to be reserved in any account established shall be computed by means of a formula that 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 of cost or useful life of a reserve item.

(f) After one or more reserve accounts are established, the membership of the association, upon a majority vote at a meeting at which a quorum is present, may provide for no reserves or less reserves than required by this section. If a meeting of the unit owners has been called to determine whether to waive or reduce the funding of reserves and such result is not achieved or a quorum is not present, the reserves as included in the budget go into effect. After the turnover, the developer may vote its voting interest to waive or reduce the funding of reserves. Any vote taken pursuant to this subsection to waive or reduce reserves is applicable only to one budget year.

(g) Funding formulas for reserves authorized by this section must be based on a separate analysis of each of the required assets or a pooled analysis of two or more of the required assets.

1. If the association maintains separate reserve accounts for each of the required assets, the amount of the contribution to each reserve account is the sum of the following two calculations:

- a. The total amount necessary, if any, to bring a negative component balance to zero.
- b. The total estimated deferred maintenance expense or estimated replacement cost of the reserve component less the estimated balance of the reserve component as of the beginning of the period the budget will be in effect. The remainder, if greater than zero, shall be divided by the estimated remaining useful life of the component.

The formula may be adjusted each year for changes in estimates and deferred maintenance performed during the year and may include factors such as inflation and earnings on invested funds.

2. 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 may not be less than that required to ensure that the balance on hand at the beginning of the period the budget will go into effect plus the projected annual cash inflows over the remaining estimated useful life 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 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 and accounts receivable minus the allowance for doubtful accounts. The reserve funding formula may not include any type of balloon payments.

(h) 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 meeting at which a quorum is present. Prior to turnover of control of an association by a developer to parcel owners, the developer-controlled association shall not vote to use reserves for purposes other than those 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.

(i)1. While a developer is in control of a homeowners' association, the developer may, but is not required to, include reserves in the budget. If the developer includes reserves in the budget, the developer may determine the amount of reserves included. The developer is not obligated to pay for:

a. Contributions to reserve accounts for capital expenditures and deferred maintenance, as well as any other reserves that the homeowners' association or the developer may be required to fund pursuant to any state, municipal, county, or other governmental statute or ordinance;

Homeowner's Association Act does not mandate reserves for any particular asset/capital items. If replacement reserves are created for any particular asset item by the developer or created and established by a vote of its members, then reserving is typically referred to as Statutory Reserves. The HOA governing docs will assist in determining whether your association reserves are statutory and or non-statutory.

The following applies if the association is governed by statutory reserves:

1. The board must adopt a budget every year fully funding those reserve categories unless the members vote to waive or reduce funding of their reserves. The association must vote every year if they wish to waive and or partially fund their reserves
2. The association can only use the reserve for the purpose intended unless the majority of the members approve by a vote to allow a different use
3. The board cannot borrow from the reserves without a vote from its members

Homeowner associations can also have Non-Statutory Reserves. Non statutory reserves are created/adopted by the association's board. Board adopted reserves are completely within the control of the board and membership voting is not required. Under board-controlled reserves, the following applies:

1. The board can decide to waive or reduce the collecting of reserve funds
2. The board can use the reserve funds for any purpose they deem to be necessary
3. The board can also borrow from reserves without the approval of its members

When in doubt, contact the association's attorney for further clarification.