

RESERVE STUDY

FOR

The Cove Owners' Association, Inc.

2842 Old Cypress North, Palm Beach Gardens, FL 33410



*J. R. Frazer, Inc. * 6615 W. Boynton Beach Blvd. #: 360, Boynton Beach, FL 33437 * Ph#: 561-488-3012*

RESERVE STUDY REPORT

The Cove Owners' Association, Inc.

2842 Old Cypress North,
Palm Beach Gardens, FL 33410

July 19, 2017

PURPOSE OF THE FULL RESERVE STUDY :

To provide the basis for the necessary funding to maintain, repair and replace those components which are the Associations responsibility.

SCOPE OF THE FULL RESERVE STUDY :

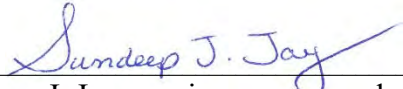
Identify and examine specific components for all of the reserve category needs analysis and use **Restricted Category Funding** for future reserve financial analysis with an on-site inspection. Include the paving, perimeter walls, entry gate systems, monuments, lighting, mailboxes and irrigation pump station. Quantify the individual components by actual field measurements. Establish current cost estimates for replacement using Marshall Valuation Service, National Plumbing & HVAC Estimator, Means Building Construction Cost Data, Trade Service Electrical Price Guide, and local contractors. Identify the normal life expectancy for each component. Estimate each component's remaining useful life through non-destructive methods. Calculate the normal annual contribution over the normal life expectancy. Establish the current 100% reserve requirement. Complete the reserve funding analysis and calculate the reserve deficit or overage. Make calculations to amortize any cash flow deficits over the twenty year analysis by using the restricted category funds method of funding reserves. Adjust the normal annual contributions to include amortized deficit funding, if needed, to meet all anticipated expenditures over the next twenty years.

CERTIFICATION:

I hereby certify that I have no interest, present or contemplated, in the property, and that neither the assignment to complete this study nor the fee derived there from is contingent upon its results. I have personally inspected the property, 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.


Sundeep J. Jay - senior reserve analyst

INTRODUCTION

J R FRAZER Reserves and Valuation Services was retained by the Association to prepare a reserve analysis of the common areas for the purpose of developing a repair and replacement needs plan and a funding analysis. The site inspection work was completed by Sundeep J. Jay - senior reserve specialist.

The statutory requirement for condominium associations simply states reserves must be 100% funded for roofing, painting and paving, plus any other items in which the cost to maintenance, repair or replacement those items exceeds \$10,000. This homeowner, while not a condo association, feels it is prudent and fiduciarily incumbent upon them to have a Reserve Analysis and accordingly has elected to engage an independent specialist to prepare a reserve schedule for inclusion in the association's budget. Our reserve study restricts all reserve fund categories and all reserve components with a twenty-year cash flow analysis.

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, or un-named windstorms and may include damage to such uninsurable items as landscaping or improvements excluded from windstorm insurance.

The analysis which follows uses the straight line component method to determine the physical analysis or the needs of the Association plus a pool of funds and a twenty year cash flow analysis with a minimum threshold to complete the financial analysis and reserve funding requirements. The physical analysis data includes those components that are included in the reserve study and the calculation of the necessary reserves are based upon straight line funding by establishing estimated remaining useful lives, the quantity of units which are obtained through independent research, existing maintenance records, site inspections, and verification of historical replacement cost of the components in the analysis. Because inflation cannot be accurately predicted, replacement costs herein are at current construction cost.

PURPOSE OF RESERVES

Reserves are monies budgeted, collected and set aside for replacement or deferred maintenance. The establishment of reserve accounts begins with the developer and or the board who have a fiduciary capacity and responsibility for the establishment of an association's budget. The board has established the reserve accounts in this study for the future replacement or deferred maintenance of the common areas.

Community associations have become aware of the necessity of reserves being included in the budget. Without adequate reserves, owners may be subject to either special assessments or may not be able to repair or replace the common area assets. Reserve funds enable an association to maintain the common areas with a reduced risk of special assessments and minimize the impact of financial challenges. The establishment of 100% reserve funding accomplishes the following.

- Establishes and preserves reserves for a strong financial position to meet future expenditures.

- Reserves reduce the potential for special assessments.

- All owners share the expenses of an association equally by paying their share of the cost.

Adequate funding is the key to reserves. Just having reserves funds doesn't make a community's financial future strong. Reserves must be set at an annual goal of 100% funding according to statutes in order to accomplish all of the goals of an association, unless a vote of the membership elects to waive or partially fund reserves.

There will be times however, when natural disasters such as flood, hurricanes, windstorms, and frost can cause considerable damage to uninsurable property. These events should also be a consideration of the board and a reserve fund established to meet these natural disasters or adopt a policy of special assessments.

ANALYST RECOMMENDATIONS

1.) We recommend making the stated year 2018 contribution. The 2018 contribution is made up of the Normal Annual Contribution plus a required amortized deficit amount to meet anticipated cash flows over the next twenty years.

By funding the recommended year 2018 contribution using the restricted category funding method the Association should be able to pay future reserve expenditures with adequate contributions from the reserve funds.

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

2.) We recommend income generated within the reserves remain in the reserves. This is the most positive method to combat inflation. Our financial analysis indicates interest generated by reserve funds will help offset a portion of inflation cost. This system of compounding interest allows the Association to control some reserve increases, but should be updated at minimum every two years. If interest is not allocated back to reserves the Association can expect future deficits and possible special assessments.

3.) The association's current reserve schedule may not have been complete in identifying all the needs of the association. We have added components and recommend the association reserve for all components in this reserve study.

4.) All expenditures are based upon a cash flow analysis with restricted category of funds to meet expenses. This allows all funds in each reserve category to be used for paying any appropriate component or components which may suddenly and un-expectedly need to be repaired or replaced. This system of funding provides adequate funding for the future reserve expenses. We strongly recommend annual updates of the reserve study in order to maintain adequate funding levels.

SPECIAL NOTES

The following section is the reserve summary (B 1). This brings together the current replacement cost, normal life expectancy, estimated remaining life, normal annual contribution, and current reserve requirement at 100% for each of the reserve categories. Please note the Normal Life and Remaining Life on the Reserve Summary page are ranges of actual life. The actual Normal Life and Remaining Life for each individual reserve component are contained in the Reserve Analysis pages (the C pages). After the reserve summary are the reserve calculation pages (C 1 - C 3) which break down the component unit cost, number of units, and estimated remaining useful life. After the reserve analysis for each of the categories you will find the reserve funding analysis and twenty-year cash flow analysis (D 1 - D 3).

Information supplied by the Association includes a copy of the June 30, 2017 financial reports and a copy of the current reserve budget.

As a result of the study, if the current reserve fund balance is less than the current 100% reserve requirement you have a funding deficit. If the fund balance is greater than the reserve requirement you have a funding overage.

When a current reserve fund balance is less than the current 100% reserve requirement 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. The funding deficit table depicts the expenses and amortized deficit funding if needed.

All funding deficits in this study are amortized based upon the cash flow analysis. This amortized amount is added to the normal annual contribution yielding the new contribution. **Additional funds over the Normal Annual Contribution are needed at this time to meet minimal threshold funding requirements and anticipated expenditures.**

The goal is to meet anticipated reserve expenditures over the next twenty years and maintain a positive cash baseline.

When a current reserve fund balance is greater than the current 100% reserve requirement the funding deficit tables calculate the number of years and dollars by which the overage should be paid down. This method of amortizing overages and deficits will maintain a more stable level of funding and reduces fluctuations.

All reserve amounts change yearly with increased cost of materials, increased cost of labor, building code changes, and investment income. We do not add for inflation or interest. These items are difficult to predict and can mislead the user of the report. Instead we use current cost with no inflation and no interest. Some cost increase will be taken care of by interest but we recommend annual updates to adjust for increased cost. These economic changes will have an impact on your reserve fund and your ability to provide for future expenses.

In addition, depending on how you decide to allocate future funding, and whether or not you opt to fund at recommend levels, these decisions will also impact the status of the reserve fund. In order 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. Because inflation cannot be accurately predicted all replacement costs used in this analysis are current costs. The only way to maintain accurate reserves and reduce the need for special assessments would be to update your reserve study annually.

This association's financial strength is low with less than a 30% reserve funding level. This association is 20% funded. The association's risk of special assessments is 37% during any one yearly period.

It is time for this association to start collecting adequate reserves. The association is behind on collecting adequate reserve funds and the deficit is large. We had to supplement the Normal Annual Contribution of \$24,935 with an additional contribution of \$27,900 in 2018 in order to meet the anticipated reserve expenditures. The annual contributions calculated on the B2 page for the next 9 years will put the association back in line to meet future expenses with minimal contributions. The annual contribution will go down to \$26,085 in 2024. The last 3 columns on the D pages of this report will show how the amortized deficit was created. We calculated the additional monies needed in the deficit column by adding the current balance to what your normal annual contribution will be for the next 20 years and adjusting the amount needed when the reserve balance falls below \$0 in any given year.

The J R Frazer firm recommends an increase to the annual reserve contribution. The increased annual reserve contribution

will be a more accurate reserve budget number which can benefit the entire community and allow current owners to pay the current cost which is their fair share of future cost to maintain the assets of the Association.

CONDITIONS OF RESERVE STUDY

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

J R Frazer, a reserve specialty firm, have 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 of myself.

The valuation includes a description of the premises. Our assessment of the physical condition of the improvements described within has been based upon visual inspection 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 for any safety concerns or hidden defects. The valuations derived and expressed within is 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 as a result 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
6615 W. Boynton Beach Blvd. #360
Boynton Beach, FL 33437
561-488-3012

The Cove Owners' Association, Inc.

2842 Old Cypress North, Palm Beach Gardens, FL 33410

* RESTRICTED FUNDS

2017 RESERVE SUMMARY

Fiscal Year runs January 1st to December 31st

RESERVE CATEGORY	REPLACEMENT COST	NORMAL LIFE (YEARS)	REMAIN LIFE (YEARS)	NORMAL ANNUAL CONTRIBUTION	CURRENT RESERVE REQUIREMENT	FUND BALANCE 6/30/2017	FUND (DEFICIT) OVERAGE	2018 CONTRIBUTION	MONTHLY CONTRIBUTION
A - Paving Reserves	271,443	0 - 60	0 - 46	10,061	144,256	1,928	(142,328)	28,211	2,350.92
B - Capital Reserves	254,948	0 - 40	0 - 28	14,874	123,664	15,153	(108,511)	24,624	2,052.00
Dredging Reserves					42,750	42,750			
Un-Allocated Interest	-			-	1,781	1,781			
TOTAL	\$ 526,391			\$ 24,935	\$ 312,451	\$ 61,612	\$ (250,839)	\$ 52,835	\$ 4,403

life range of years for summary purposes, see actual estimated years in detail pages

The Cove Owners' Association, Inc.
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SNAPSHOT RESERVE FORECAST

RESERVE CATEGORY	Yr. 2017 Contribution	Yr. 2018 Contribution	Yr. 2019 Contribution	Yr. 2020 Contribution	Yr. 2021 Contribution	Yr. 2022 Contribution	Yr. 2023 Contribution	Yr. 2024 Contribution	Yr. 2025 Contribution	Yr. 2026 Contribution
A - Paving Reserves	1,000	28,211	28,211	28,211	28,211	28,211	28,211	10,061	10,061	10,061
B - Capital Reserves	5,000	24,624	18,624	18,624	16,024	16,024	16,024	16,024	16,024	16,024
Dredging Reserves	3,500									
Un-Allocated Interest										
TOTAL	\$9,500	\$52,835	\$46,835	\$46,835	\$44,235	\$44,235	\$44,235	\$26,085	\$26,085	\$26,085

2017 RESERVE ANALYSIS

The Cove Owners' Association, Inc. - 2842 Old Cypress North, Palm Beach Gardens, FL 33410

		Values						
Reserve Category	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Normal Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
A - Paving Reserves	R&R = Repair/Replace							
	1 - Asphalt/Milling: re-asphalt/milling sy	4,710	13.75	\$64,763	20	6	\$3,238.00	\$45,332
	2 - Asphalt/Milling: seal coat asphalt sy	4,710	0.75	\$3,533	5	1	\$707.00	\$2,828
	3 - Curbs: "flush type" repair & replace lf	3,350	19.25	\$64,488	55	41	\$1,173.00	\$16,422
	4 - Curbs: "extruded type" repair & replace lf	813	10.00	\$8,130	20	6	\$407.00	\$5,698
	5 - Sidewalk repair & replace sf	6,200	1.35	\$8,370	20	6	\$419.00	\$5,866
	6 - Replace Catch Basins	11	4,000.00	\$44,000	60	46	\$733.00	\$10,262
	7 - Pavers: replace	10,472	6.00	\$62,832	24	6	\$2,618.00	\$47,124
	8 - Paving R&R	25,545	0.60	\$15,327	20	6	\$766.00	\$10,724
A - Paving Reserves Total				\$271,443	60	46	\$10,061.00	\$144,256

2017 RESERVE ANALYSIS

The Cove Owners' Association, Inc. - 2842 Old Cypress North, Palm Beach Gardens, FL 33410

		Values						
Reserve Category	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Normal Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
B - Capital Reserves	R&R = Repair/Replace							
	1 - Walls/Fencing/Columns: paint metal fence	514	7.25	\$3,727	14	1	\$266.00	\$3,458
	2 - Walls/Fencing/Columns: replace metal fence	514	60.00	\$30,840	30	16	\$1,028.00	\$14,392
	3 - Walls/Fencing/Columns: paint entry gate	88	55.00	\$4,840	14	12	\$346.00	\$692
	4 - Walls/Fencing/Columns: replace entry gate	88	320.00	\$28,160	30	28	\$939.00	\$1,878
	5 - Walls/Fencing/Columns: paint concrete wall	14,844	0.50	\$7,422	7	1	\$1,060.00	\$6,360
	6 - Walls/Fencing/Columns: concrete wall R&R	14,844	0.25	\$3,711	14	1	\$265.00	\$3,445
	7 - Walls/Fencing/Columns: stone wall R&R	2,304	1.60	\$3,686	14	13	\$263.00	\$263
	8 - Walls/Fencing/Columns: all stone columns R&R	4,149	1.60	\$6,638	14	13	\$474.00	\$474
	9 - Monuments: walls R&R	1,496	1.60	\$2,394	14	13	\$171.00	\$171
	10 - Monuments: general R&R (lighting/lettering)	2	5,000.00	\$10,000	20	6	\$500.00	\$7,000
	11 - Lighting: paint light poles	13	110.00	\$1,430	14	1	\$102.00	\$1,326
	12 - Lighting: replace double light poles	4	2,800.00	\$11,200	30	16	\$373.00	\$5,222
	13 - Lighting: replace single light poles	9	3,200.00	\$28,800	30	16	\$960.00	\$13,440
	14 - Lighting: replace column head lights	40	250.00	\$10,000	15	1	\$667.00	\$9,338

2017 RESERVE ANALYSIS

The Cove Owners' Association, Inc. - 2842 Old Cypress North, Palm Beach Gardens, FL 33410

Reserve Category	Component Items	Quantity Units	Unit Cost \$	Replacement Cost \$	Normal Life	Remaining Life	Normal Annual Contribution	Current Reserve Requirement
B - Capital Reserves	15 - Mailboxes: paint	16	150.00	\$2,400	14	1	\$171.00	\$2,223
	16 - Mailboxes: paint	4	50.00	\$200	14	1	\$14.00	\$182
	17 - Mailboxes: replace	20	625.00	\$12,500	40	26	\$313.00	\$4,382
	18 - Irrigation Pump: replace motor 7.5hp	1	4,300.00	\$4,300	15	1	\$287.00	\$4,018
	18 - Irrigation Station: replace controller	1	2,500.00	\$2,500	20	6	\$125.00	\$1,750
	18 - Irrigation Station: replace expansion tank	1	800.00	\$800	20	6	\$40.00	\$560
	18 - Irrigation Station: re-drill well	1	10,000.00	\$10,000	20	8	\$500.00	\$6,000
	19 - Entrance Equipment: replace cameras	6	1,000.00	\$6,000	8	6	\$750.00	\$1,500
	20 - Entrance Equipment: replace camera system	1	11,600.00	\$11,600	16	14	\$725.00	\$1,450
	21 - Entrance Equipment: replace telephone access station	2	3,700.00	\$7,400	7	5	\$1,057.00	\$2,114
	22 - Entrance Equipment: replace transponder unit	2	3,400.00	\$6,800	7	5	\$971.00	\$1,942
	23 - Entrance Equipment: replace gate motors	8	4,700.00	\$37,600	15	3	\$2,507.00	\$30,084
	B - Capital Reserves Total				\$254,948	40	28	\$14,874.00
Grand Total				\$526,391	60	46	\$24,935	\$267,920

RESERVE FUNDING ANALYSIS

The Cove Owners' Association, Inc. - 2842 Old Cypress North, Palm Beach Gardens, FL 33410

RESERVE CATEGORY	6/30/17 FUND BALANCE	CURRENT RESERVE REQUIRE	FUND OVERAGE (DEFICIT)						
	\$1,928	\$144,256	(\$142,328)	Minimum Fund Balance: \$5,000					
A - Paving Reserves		<u>Financial year runs January to December</u>							
YEAR	ACCOUNT BALANCE	COMPONENT EXPENSE ITEMS BY YEAR	YEARLY EXPENSE	NORMAL ANNUAL CONTRIBT	PLUS	AMORTIZED DEFICIT	EQUALS YEARLY CONTRI-BUTION	FUND ENDING BALANCE	
				6 months					
2017	0		0	remain	500		0	500	\$2,428
2018	1	2,428	2 - Asphalt/Milling: seal coat asphalt sy	3,533	10,061		18,150	28,211	\$27,106
2019	2	27,106		0	10,061		18,150	28,211	\$55,317
2020	3	55,317		0	10,061		18,150	28,211	\$83,528
2021	4	83,528		0	10,061		18,150	28,211	\$111,739
2022	5	111,739		0	10,061		18,150	28,211	\$139,950
2023	6	139,950	1 - Asphalt/Milling: re-asphalt/milling sy 2 - Asphalt/Milling: seal coat asphalt sy 4 - Curbs: "extruded type" repair & replace lf 5 - Sidewalk repair & replace sf 7 - Pavers: replace 8 - Paving R&R	162,955	10,061		18,150	28,211	\$5,206
2024	7	5,206		0	10,061		0	10,061	\$15,267
2025	8	15,267		0	10,061		0	10,061	\$25,328
2026	9	25,328		0	10,061		0	10,061	\$35,389
2027	10	35,389		0	10,061		0	10,061	\$45,450
2028	11	45,450	2 - Asphalt/Milling: seal coat asphalt sy	3,533	10,061		0	10,061	\$51,978
2029	12	51,978		0	10,061		0	10,061	\$62,039
2030	13	62,039		0	10,061		0	10,061	\$72,100
2031	14	72,100		0	10,061		0	10,061	\$82,161
2032	15	82,161		0	10,061		0	10,061	\$92,222
2033	16	92,222	2 - Asphalt/Milling: seal coat asphalt sy	3,533	10,061		0	10,061	\$98,750
2034	17	98,750		0	10,061		0	10,061	\$108,811
2035	18	108,811		0	10,061		0	10,061	\$118,872
2036	19	118,872		0	10,061		0	10,061	\$128,933
2037	20	128,933		0	10,061		0	10,061	\$138,994
END		TWENTY YEAR REPAIR / REPLACEMENT PROJECTIONS							

RESERVE FUNDING ANALYSIS

The Cove Owners' Association, Inc. - 2842 Old Cypress North, Palm Beach Gardens, FL 33410

		6/30/17 FUND BALANCE	CURRENT RESERVE REQUIRE		FUND OVERAGE (DEFICIT)					
		\$15,153	\$123,664		(\$108,511)				Minimum Fund Balance: \$5,000	
B - Capital Reserves		<u>Financial year runs January to December</u>								
YEAR	ACCOUNT BALANCE	COMPONENT EXPENSE ITEMS BY YEAR			YEARLY EXPENSE	NORMAL ANNUAL CONTRIBUT	PLUS	AMORTIZED DEFICIT	EQUALS YEARLY CONTRI- BUTION	FUND ENDING BALANCE
2017	0	15,153			0	6 months remain 2,500		0	2,500	\$17,653
2018	1	17,653	1 - Walls/Fencing/Columns: paint metal fence 5 - Walls/Fencing/Columns: paint concrete wall 6 - Walls/Fencing/Columns: concrete wall R&R 11 - Lighting: paint light poles 14 - Lighting: replace column head lights 15 - Mailboxes: paint 16 - Mailboxes: paint 18 - Irrigation Pump: replace motor 7.5hp	33,190	14,874		9,750	24,624	\$9,087	
2019	2	9,087		0	14,874		3,750	18,624	\$27,711	
2020	3	27,711	23 - Entrance Equipment: replace gate motors	37,600	14,874		3,750	18,624	\$8,735	
2021	4	8,735		0	14,874		1,150	16,024	\$24,759	
2022	5	24,759	21 - Entrance Equipment: replace telephone access station 22 - Entrance Equipment: replace transponder unit	14,200	14,874		1,150	16,024	\$26,583	
2023	6	26,583	10 - Monuments: general R&R (lighting/lettering) 18 - Irrigation Station: replace controller 18 - Irrigation Station: replace expansion tank 19 - Entrance Equipment: replace cameras	19,300	14,874		1,150	16,024	\$23,307	
2024	7	23,307		0	14,874		1,150	16,024	\$39,331	
2025	8	39,331	5 - Walls/Fencing/Columns: paint concrete wall 18 - Irrigation Station: re-drill well	17,422	14,874		1,150	16,024	\$37,933	
2026	9	37,933		0	14,874		1,150	16,024	\$53,957	
2027	10	53,957		0	14,874		1,150	16,024	\$69,981	
2028	11	69,981		0	14,874		1,150	16,024	\$86,005	
2029	12	86,005	3 - Walls/Fencing/Columns: paint entry gate 21 - Entrance Equipment: replace telephone access station 22 - Entrance Equipment: replace transponder unit	19,040	14,874		1,150	16,024	\$82,989	
2030	13	82,989	7 - Walls/Fencing/Columns: stone wall R&R 8 - Walls/Fencing/Columns: all stone columns R&R 9 - Monuments: walls R&R	12,718	14,874		1,150	16,024	\$86,295	
2031	14	86,295	19 - Entrance Equipment: replace cameras 20 - Entrance Equipment: replace camera system	17,600	14,874		1,150	16,024	\$84,719	
2032	15	84,719	1 - Walls/Fencing/Columns: paint metal fence 5 - Walls/Fencing/Columns: paint concrete wall 6 - Walls/Fencing/Columns: concrete wall R&R 11 - Lighting: paint light poles 15 - Mailboxes: paint 16 - Mailboxes: paint	18,890	14,874		1,150	16,024	\$81,853	

2033	16	81,853	2 - Walls/Fencing/Columns: replace metal fence 12 - Lighting: replace double light poles 13 - Lighting: replace single light poles 14 - Lighting: replace column head lights 18 - Irrigation Pump: replace motor 7.5hp	85,140	14,874	1,150	16,024	\$12,737
2034	17	12,737		0	14,874	450	15,324	\$28,061
2035	18	28,061	23 - Entrance Equipment: replace gate motors	37,600	14,874	450	15,324	\$5,785
2036	19	5,785	21 - Entrance Equipment: replace telephone access station 22 - Entrance Equipment: replace transponder unit	14,200	14,874	0	14,874	\$6,459
2036	20	6,459		0	14,874	0	14,874	\$21,333
END			TWENTY YEAR REPAIR / REPLACEMENT PROJECTIONS					







Telephone Call Box



Telephone Call Box



Radio Frequency ID



Radio Frequency ID



Extruded Curb



Flush Curb







Irrigation Expansion Tank



Irrigation Station

The Cove Owners Association, Inc.
2017 RESERVE SCHEDULE

ITEM	EST	EST	EST	ESTIMATED	2017	ESTIMATED
	REPLMNT	LIFE	REMAIN	FUND BAL.	ALLOCATION	FUND BAL.
	COST		LIFE	YR. END 2016		YR. END 2017
				-		-
RESERVE - Dredging	Various	-	0	41,000.00	3,500.00	44,500.00
RESERVE - Capital	Various	-	0	16,905.00	5,000.00	21,905.00
SEALCOATING OCB-OCN	\$5,000		5	1,428.00	1,000.00	2,428.00
INTEREST		-	0	1,708.00		1,708.00
TOTAL				61,041.00	9,500.00	70,541.00

THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE SUBSTANTIAL RESERVE ACCOUNT FUNDING FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS. OWNERS MAY ELECT TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO THE PROVISIONS OF 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.

THE COVE OWNERS' ASSOCIATION, INC.
2017 APPROVED BUDGET
20 UNITS

	2016 APPROVED BUDGET	2017 APPROVED BUDGET
REVENUE		
ASSESSMENT INCOME	127,520	126,480
POOL MAINTENANCE INCOME	19,228	23,408
INTERIOR LOT INCOME	62,880	62,880
LIFT STATION INCOME	6,000	6,000
TOTAL INCOME	215,628	218,768
EXPENSES		
GENERAL & ADMINISTRATIVE		
MANAGEMENT FEE	15,195	15,195
LEGAL/PROFESSIONAL	3,000	4,200
POSTAGE/MAILING/ MISC.	150	200
RECORDS STORAGE	1,390	0
OFFICE EXPENSES	700	750
INSURANCE	1,930	1,980
TAXES, LICENSES	75	75
BAD DEBTS	2,700	0
TOTAL GENERAL & ADMIN.	25,140	22,400
MAINTENANCE		
GATE MAINTENANCE	4,000	4,000
EXTERMINATION	4,800	5,080
LIGHTING REPAIRS - MAINTENANCE	2,500	2,500
COMMON AREA LANDSCAPE	44,800	44,800
WELL TREATMENT - CHEMICALS	3,000	3,000
IRRIGATION REPAIR	2,500	2,500
LANDSCAPE EXTRAS	17,500	17,500
POOL MAINTENANCE EXPENSE	19,228	23,408
INTERIOR LOT MAINT. EXPENSE	62,880	62,880
LIFT STATION EXPENSE	6,000	6,000
CONTINGENCY/MISCELLANEOUS	2,955	2,840
HOLIDAY ILLUMINATIONS	2,625	3,660
TOTAL MAINTENANCE	172,788	178,168
UTILITIES		
UTILITIES EXPENSES	6,200	6,200
PHONES-TELE ENTRY	2,000	2,500
TOTAL UTILITIES	8,200	8,700
RESERVE CONTRIBUTIONS		
DREDGING FUND	3,500	3,500
CAPITAL RESERVES	5,000	5,000
SEAL COATING OCB and OCN	1,000	1,000
TOTAL RESERVE CONTRIBUTION	9,500	9,500
TOTAL EXPENSE & RESERVES	215,628	218,768
NET INCOME/(LOSS)	0	0

QUARTERLY COMMON AREA ASSESSMENT	\$ 1,594.00	\$ 1,581.00
QUARTERLY INTERIOR LOT	\$ 786.00	\$ 786.00
QUARTERLY POOL SERVICE (19 LOTS)	\$ 253.00	\$ 308.00
QUARTERLY LIFT STATION	\$ 75.00	\$ 75.00
(19 LOTS)	\$ 2,708.00	\$ 2,750.00

(1 LOT) \$ 2,455.00 \$ 2,442.00

The Cove Owners Association #449
Balance Sheet
As of 06/30/17

Account #	Description	Fund Balance:			Totals
		Operating	Reserves	Other	
ASSETS					
1005	Valley National Bank-Operating	49,008.53			49,008.53
1105	Valley National Bank - Reserve		61,612.62		61,612.62
1610	Prepaid Insurance	1,235.08			1,235.08
1620	Prepaid Expenses	8,821.00			8,821.00
	TOTAL ASSETS	59,064.61	61,612.62	.00	120,677.23
LIABILITIES & EQUITY					
LIABILITIES:					
3010	Accounts Payable	250.00			250.00
3310	Prepaid Owner Assessments	13,750.00			13,750.00
	Subtotal Liabilities	14,000.00	.00	.00	14,000.00
RESERVES:					
5010	Reserves-Dredging		42,750.33		42,750.33
5035	Reserves-Capital		15,153.20		15,153.20
5036	Reserves-Seal Coating		1,928.50		1,928.50
5040	Reserves-Interest Income		1,780.59		1,780.59
	Subtotal Reserves	.00	61,612.62	.00	61,612.62
EQUITY:					
5510	Prior Year Net Inc./Loss	34,579.75			34,579.75
	Current Year Net Income/(Loss)	10,484.86	.00	.00	10,484.86
	Subtotal Equity	45,064.61	.00	.00	45,064.61
	TOTAL LIABILITIES & EQUITY	59,064.61	61,612.62	.00	120,677.23

The Cove Owners Association #449
Income/Expense Statement
 Period: 06/01/17 to 06/30/17

Description	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance	Yearly Budget
INCOME							
06310 Assessment Income	10,540.00	10,540.00	.00	63,240.00	63,240.00	.00	126,480.00
06340 Late Fee Income	.00	.00	.00	137.50	.00	137.50	.00
06360 Misc. Income	.00	.00	.00	120.00	.00	120.00	.00
06365 Pool Maintenance Income	1,950.66	1,950.67	(.01)	11,704.00	11,704.02	(.02)	23,408.00
06370 Interior Lot Maint. Income	5,240.00	5,240.00	.00	31,440.00	31,440.00	.00	62,880.00
06375 Lift Station Income	500.00	500.00	.00	3,000.00	3,000.00	.00	6,000.00
06910 Interest Income	4.79	.00	4.79	44.98	.00	44.98	.00
06915 Interest Income - Reserves	10.13	.00	10.13	62.85	.00	62.85	.00
Subtotal Income	18,245.58	18,230.67	14.91	109,749.33	109,384.02	365.31	218,768.00
EXPENSES							
General & Administrative							
07010 Management Fee	1,266.00	1,266.25	.25	7,596.00	7,597.50	1.50	15,195.00
07020 Legal/Professional	.00	350.00	350.00	2,845.47	2,100.00	(745.47)	4,200.00
07030 Postage/Mailings	.00	16.67	16.67	50.00	100.02	50.02	200.00
07035 Office Expenses	18.88	62.50	43.62	418.58	375.00	(43.58)	750.00
07200 Insurance	291.35	165.00	(126.35)	1,478.42	990.00	(488.42)	1,980.00
07210 Taxes, Licenses	.00	6.25	6.25	61.25	37.50	(23.75)	75.00
Subtotal	1,576.23	1,866.67	290.44	12,449.72	11,200.02	(1,249.70)	22,400.00
Maintenance							
07505 Gate Repairs	.00	333.33	333.33	144.52	1,999.98	1,855.46	4,000.00
07510 Extermination	480.00	423.33	(56.67)	2,240.00	2,539.98	299.98	5,080.00
07520 Lighting Repairs	.00	208.33	208.33	559.00	1,249.98	690.98	2,500.00
07530 Common Area Landscape	3,733.42	3,733.33	(.09)	22,400.52	22,399.98	(.54)	44,800.00
07535 Well Treatment - Chemicals	250.00	250.00	.00	1,500.00	1,500.00	.00	3,000.00
07540 Irrigation Repairs	375.88	208.33	(167.55)	1,086.88	1,249.98	153.10	2,500.00
07560 Landscape Extras	1,452.00	1,458.33	6.33	4,729.50	8,749.98	4,020.48	17,500.00
07710 Pool Maintenance Expense	1,930.00	1,950.67	20.67	11,580.00	11,704.02	124.02	23,408.00
07715 Interior Lot Maint. Expense	5,087.58	5,240.00	152.42	30,525.48	31,440.00	914.52	62,880.00
07720 Lift Station Expense	.00	500.00	500.00	3,000.00	3,000.00	.00	6,000.00
07730 Contingency/Miscellaneous	.00	236.67	236.67	.00	1,420.02	1,420.02	2,840.00
07740 Holiday Illuminations	.00	305.00	305.00	.00	1,830.00	1,830.00	3,660.00
Subtotal	13,308.88	14,847.32	1,538.44	77,775.90	89,083.92	11,308.02	178,168.00

The Cove Owners Association #449
Income/Expense Statement
 Period: 06/01/17 to 06/30/17

Description	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance	Yearly Budget
Utilities							
08905 Utility Expenses	441.27	516.67	75.40	2,712.99	3,100.02	387.03	6,200.00
08930 Phones - Tele-entry Systems	242.50	208.33	(34.17)	1,512.68	1,249.98	(262.70)	2,500.00
Utilities	683.77	725.00	41.23	4,225.67	4,350.00	124.33	8,700.00
Reserve Contributions							
0910 Reserves-Dredging	.00	.00	.00	1,750.33	1,750.00	(.33)	3,500.00
0935 Reserves-Capital	.00	.00	.00	2,500.00	2,500.00	.00	5,000.00
0936 Reserves-Seal Coating OCB	.00	.00	.00	500.00	500.00	.00	1,000.00
0940 Reserves-Interest	10.13	.00	(10.13)	62.85	.00	(62.85)	.00
Reserve Contributions	10.13	.00	(10.13)	4,813.18	4,750.00	(63.18)	9,500.00
TOTAL EXPENSES	15,579.01	17,438.99	1,859.98	99,264.47	109,383.94	10,119.47	218,768.00
CURRENT YEAR NET INCOME/LOSS	2,666.57	791.68	1,874.89	10,484.86	.08	10,484.78	.00

GENERAL LEDGER TRIAL BALANCE

Starting account #: "First"
Ending account #: "Last"

Starting date: 06/01/17
Ending date: 06/30/17

Acct-#	Description	Begin-Balance	Total-DR	Total-CR	Net-change	End-balance
1005	Valley National Bank-Operating	50,091.42	16,642.29	17,725.18	1,082.99CR	49,008.53
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/01/17 AP0435 2085 8,821.00 B & B DIVERSIFIED SERVICE JUNE BILLING					
	06/07/17 AP0439 2086 310.00 B & B DIVERSIFIED SERVICE IRRIGATION REPAIR					
	06/07/17 AP0439 2087 1,271.90 CAPITAL REALTY ADVISORS, JUNE MANAGEMENT FEES					
	06/07/17 AP0439 2088 1,930.00 FOUNTAIN BLUE POOL SERVIC MAY LANDSCAPE					
	06/07/17 AP0439 2089 63.13 PRINTING SOLUTIONS ENVELOPES					
	06/07/17 AP0439 2090 250.00 RUST TECH SERVICES, LLC SERVICE 5-15 TO 6-14					
	06/07/17 AP0439 2091 144.52 VICTORY ACCESS CONTROL LL GATE REPAIR					
	06/16/17 AR0000 AR04 2,887.50 Owner Cash Receipts					
	06/20/17 AP0442 2092 1,827.88 B & B DIVERSIFIED SERVICE IRRIGATION EXTRAS					
	06/20/17 AP0442 2093 242.50 COMCAST SERVICE 6-18 TO 7-17					
	06/20/17 AP0442 2094 1,930.00 FOUNTAIN BLUE POOL SERVIC JUNE POOL SERVICE					
	06/20/17 AP0442 2095 480.00 HIGHLAND PEST CONTROL, IN REBAIT BI MONTHLY					
	06/20/17 AP0442 2096 12.98 PRINTING SOLUTIONS ANNOUNCEMENTS					
	06/23/17 AR0000 AR04 8,250.00 Owner Cash Receipts					
	06/27/17 AR0000 AR04 2,750.00 Owner Cash Receipts					
	06/29/17 AR0000 AR04 2,750.00 Owner Cash Receipts					
	06/30/17 CR0000 ADJUST 4.79 JUNE INTEREST					
	06/30/17 RJ0003 ACH PMTS 441.27 MONTHLY ACH PMTS.					
1010	National City - Operating	.00	.00	.00	.00	.00
1100	National City-Reserve Acct.	.00	.00	.00	.00	.00
1105	Valley National Bank - Reserve	61,602.49	10.13	.00	10.13	61,612.62
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 CR0000 ADJUST 10.13 JUNE INTEREST					
1310	Assessments Receivable	2,887.50	.00	2,887.50	2,887.50CR	.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/16/17 AR0000 AR04 2,887.50 Owner Cash Receipts					
1312	Allowance for Doubtful Accts.	.00	.00	.00	.00	.00
1330	Special Assmnts. Receiv.	.00	.00	.00	.00	.00
1340	Due From Vendor	.00	.00	.00	.00	.00
1390	Due From Rsv to Operating	.00	.00	.00	.00	.00

GENERAL LEDGER TRIAL BALANCE

Acct-#	Description	Begin-balance	Total-DR	Total-CR	Net-change	End-balance
1610	Prepaid Insurance	1,526.43		.00	291.35	291.35CR 1,235.08
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RJ0001 1231 291.35 Monthly Recurring					
1620	Prepaid Expenses	8,821.00		.00	.00	8,821.00
1640	Prepaid Rent	.00		.00	.00	.00
2550	Utility Deposits	.00		.00	.00	.00
3010	Accounts Payable	2,697.65CR	17,283.91	14,836.26	2,447.65	250.00CR
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/01/17 AP0433 VH1630 8,821.00 B & B DIVERSIFIED SERVICE JUNE BILLING					
	06/01/17 AP0435 2085 8,821.00 B & B DIVERSIFIED SERVICE JUNE BILLING					
	06/01/17 AP0441 VH1642 121.25 COMCAST SERVICE 6-18 TO 7-17					
	06/01/17 AP0441 VH1643 121.25 COMCAST SERVICE 6-14 TO 7-13					
	06/01/17 AP0441 VH1644 1,930.00 FOUNTAIN BLUE POOL SERVICE JUNE POOL SERVICE					
	06/05/17 AP0438 VH1633 1,271.90 CAPITAL REALTY ADVISORS, JUNE MANAGEMENT FEES					
	06/05/17 AP0441 VH1645 480.00 HIGHLAND PEST CONTROL, IN REBAIT BI MONTHLY					
	06/07/17 AP0439 2086 310.00 B & B DIVERSIFIED SERVICE IRRIGATION REPAIR					
	06/07/17 AP0439 2087 1,271.90 CAPITAL REALTY ADVISORS, JUNE MANAGEMENT FEES					
	06/07/17 AP0439 2088 1,930.00 FOUNTAIN BLUE POOL SERVICE MAY LANDSCAPE					
	06/07/17 AP0439 2089 63.13 PRINTING SOLUTIONS ENVELOPES					
	06/07/17 AP0439 2090 250.00 RUST TECH SERVICES, LLC SERVICE 5-15 TO 6-14					
	06/07/17 AP0439 2091 144.52 VICTORY ACCESS CONTROL LL GATE REPAIR					
	06/15/17 AP0441 VH1639 375.88 B & B DIVERSIFIED SERVICE IRRIGATION EXTRAS					
	06/15/17 AP0441 VH1640 1,452.00 B & B DIVERSIFIED SERVICE TRIM PALMS					
	06/15/17 AP0444 VH1650 250.00 RUST TECH SERVICES, LLC JUNE WELL WATER STAINING					
	06/16/17 AP0441 VH1646 12.98 PRINTING SOLUTIONS ANNOUNCEMENTS					
	06/20/17 AP0442 2092 1,827.88 B & B DIVERSIFIED SERVICE IRRIGATION EXTRAS					
	06/20/17 AP0442 2093 242.50 COMCAST SERVICE 6-18 TO 7-17					
	06/20/17 AP0442 2094 1,930.00 FOUNTAIN BLUE POOL SERVICE JUNE POOL SERVICE					
	06/20/17 AP0442 2095 480.00 HIGHLAND PEST CONTROL, IN REBAIT BI MONTHLY					
	06/20/17 AP0442 2096 12.98 PRINTING SOLUTIONS ANNOUNCEMENTS					
3050	Unearned Maintenance Income	18,230.66CR	18,230.67	.01	18,230.66	.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 GT0072 0601 .01 ADJ UNEARNED MAINTENANCE					
	06/30/17 RJ0001 1231 18,230.67 Monthly Recurring					
3080	Due to Op from Reserve	.00		.00	.00	.00
3095	Damage Deposit	.00		.00	.00	.00
3100	Security Deposit	.00		.00	.00	.00

GENERAL LEDGER TRIAL BALANCE

Acct-#	Description	Begin-balance	Total-DR	Total-CR	Net-change	End-balance
3310	Prepaid Owner Assessments	.00	.00	13,750.00	13,750.00CR	13,750.00CR
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/23/17 AR0000 AR04 8,250.00 Owner Cash Receipts					
	06/27/17 AR0000 AR04 2,750.00 Owner Cash Receipts					
	06/29/17 AR0000 AR04 2,750.00 Owner Cash Receipts					
3320	Prepaid Rent	.00	.00	.00	.00	.00
5010	Reserves-Dredging	42,750.33CR	.00	.00	.00	42,750.33CR
5035	Reserves-Capital	15,153.20CR	.00	.00	.00	15,153.20CR
5036	Reserves-Seal Coating	1,928.50CR	.00	.00	.00	1,928.50CR
5040	Reserves-Interest Income	1,770.46CR	.00	10.13	10.13CR	1,780.59CR
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RJ0001 1231 10.13 Monthly Recurring					
5510	Prior Year Net Inc./Loss	34,579.75CR	.00	.00	.00	34,579.75CR
5520	Contrib. Capital - Owners	.00	.00	.00	.00	.00
6310	Assessment Income	52,700.00CR	.00	10,540.00	10,540.00CR	63,240.00CR
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RJ0001 1231 10,540.00 Monthly Recurring					
6340	Late Fee Income	137.50CR	.00	.00	.00	137.50CR
6360	Misc. Income	120.00CR	.00	.00	.00	120.00CR
6365	Pool Maintenance Income	9,753.34CR	.01	1,950.67	1,950.66CR	11,704.00CR
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 GJ0072 0601 .01 ADJ UNPAID MAINTENANCE					
	06/30/17 RJ0001 1231 1,950.67 Monthly Recurring					
6370	Interior Lot Maint. Income	26,200.00CR	.00	5,240.00	5,240.00CR	31,440.00CR
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RJ0001 1231 5,240.00 Monthly Recurring					
6375	Lift Station Income	2,500.00CR	.00	500.00	500.00CR	3,000.00CR
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RJ0001 1231 500.00 Monthly Recurring					

GENERAL LEDGER TRIAL BALANCE

Acct-#	Description	Begin-Balance	Total-DR	Total-CR	Net-change	End-Balance
6910	Interest Income	40.19CR				
				4.79	4.79CR	44.98CR
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 CR0000 ADJUST 4.79 JUNE INTEREST					
6915	Interest Income - Reserves	52.72CR				
				10.13	10.13CR	62.85CR
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 CR0000 ADJUST 10.13 JUNE INTEREST					
7010	Management Fee	6,330.00				
				1,266.00	1,266.00	7,596.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/05/17 AP0438 VH1633 1,266.00 CAPITAL REALTY ADVISORS, JUNE MANAGEMENT FEES					
7020	Legal/Professional	2,845.47				
				.00	.00	2,845.47
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/05/17 AP0438 VH1633 5.90 CAPITAL REALTY ADVISORS, JUNE MANAGEMENT FEES					
	06/16/17 AP0441 VH1646 12.98 PRINTING SOLUTIONS ANNOUNCEMENTS					
7200	Insurance	1,187.07				
				291.35	291.35	1,478.42
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RT0001 1231 291.35 Monthly Recurring					
7210	Taxes, Licenses	61.25				
				.00	.00	61.25
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/05/17 AP0438 VH1633 5.90 CAPITAL REALTY ADVISORS, JUNE MANAGEMENT FEES					
	06/16/17 AP0441 VH1646 12.98 PRINTING SOLUTIONS ANNOUNCEMENTS					
7505	Gate Repairs	144.52				
				.00	.00	144.52
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/05/17 AP0441 VH1645 480.00 HIGHLAND PEST CONTROL, IN REPAIR BI MONTHLY					
7510	Extermination	1,760.00				
				480.00	480.00	2,240.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/05/17 AP0441 VH1645 480.00 HIGHLAND PEST CONTROL, IN REPAIR BI MONTHLY					
7520	Lighting Repairs	559.00				
				.00	.00	559.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/01/17 AP0433 VH1630 3,733.42 B & B DIVERSIFIED SERVICE JUNE BILLING					
7530	Common Area Landscape	18,667.10				
				3,733.42	3,733.42	22,400.52
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/01/17 AP0433 VH1630 3,733.42 B & B DIVERSIFIED SERVICE JUNE BILLING					
7535	Well Treatment - Chemicals	1,250.00				
				250.00	250.00	1,500.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/15/17 AP0444 VH1650 250.00 RUST TECH SERVICES, LLC JUNE WELL WATER STAINING					

GENERAL LEDGER TRIAL BALANCE

Acct-#	Description	Begin-balance	Total-DR	Total-CR	Net-change	End-balance
7540	Irrigation Repairs	721.00	375.88	.00	375.88	1,096.88
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/15/17 AP0441 VH1639 375.88 B & B DIVERSIFIED SERVICE IRRIGATION EXTRAS					
7560	Landscapce Extras	3,277.50	1,452.00	.00	1,452.00	4,729.50
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/15/17 AP0441 VH1640 1,452.00 B & B DIVERSIFIED SERVICE TRIM PALMS					
7710	Pool Maintenance Expense	9,650.00	1,930.00	.00	1,930.00	11,580.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/01/17 AP0441 VH1644 1,930.00 FOUNTAIN BLUE POOL SERVICE JUNE POOL SERVICE					
7715	Interior Lot Maint. Expense	25,437.90	5,087.58	.00	5,087.58	30,525.48
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/01/17 AP0433 VH1630 5,087.58 B & B DIVERSIFIED SERVICE JUNE BILLING					
7720	Lift Station Expense	3,000.00	.00	.00	.00	3,000.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RJ0003 ACH PMTS 163.52 FPAI 32260-75426					
	06/30/17 RJ0003 ACH PMTS 132.76 FPAI 30739-37124					
	06/30/17 RJ0003 ACH PMTS 144.99 FPAI 98482-48283					
8905	Utility Expenses	2,271.72	441.27	.00	441.27	2,712.99
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/01/17 AP0433 VH1630 5,087.58 B & B DIVERSIFIED SERVICE JUNE BILLING					
8930	Phones - Tele-entry Systems	1,270.18	242.50	.00	242.50	1,512.68
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/01/17 AP0441 VH1642 121.25 COMCAST SERVICE 6-18 TO 7-17					
	06/01/17 AP0441 VH1643 121.25 COMCAST SERVICE 6-14 TO 7-13					
9910	Reserves-Dredging	1,750.33	.00	.00	.00	1,750.33
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/01/17 AP0441 VH1642 121.25 COMCAST SERVICE 6-18 TO 7-17					
	06/01/17 AP0441 VH1643 121.25 COMCAST SERVICE 6-14 TO 7-13					
9935	Reserves-Capital	2,500.00	.00	.00	.00	2,500.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RJ0001 1231 10.13 Monthly Recurring					
9936	Reserves-Seal Coating OCB	500.00	.00	.00	.00	500.00
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RJ0001 1231 10.13 Monthly Recurring					
9940	Reserves-Interest	52.72	10.13	.00	10.13	62.85
	DATE SOURCE REFERENCE DR-AMOUNT CR-AMOUNT DESCRIPTION A/P REFERENCE					
	06/30/17 RJ0001 1231 10.13 Monthly Recurring					
Grand totals:		.00	67,746.02	67,746.02	.00	.00

-- End of report --

DATE: 7/12/17
TIME: 12:59 PM

The Cove Owners Association #449
AGED OWNER BALANCES: AS OF June 30, 2017
ACCOUNT NUMBER SEQUENCE

PAGE 1

* - Previous Owner or Renter								
ACCOUNT #	UNIT #	NAME	CURRENT	OVER 30	OVER 180	OVER 365	TOTAL	STATUS
TOTAL:			0.00	0.00	0.00	0.00	0.00	

-- End of report --

DATE: 7/12/17
 TIME: 12:59 PM

The Cove Owners Association #449
 AGED OWNER BALANCES: AS OF July 12, 2017
 ACCOUNT NUMBER SEQUENCE

* - Previous Owner or Renter									
ACCOUNT #	UNIT #	NAME	CURRENT	OVER 30	OVER 180	OVER 365	TOTAL	STATUS	
1	1	Al Ventzek	2750.00	0.00	0.00	0.00	2750.00		
6	6	Lauraine Ann Hoensheid	2750.00	0.00	0.00	0.00	2750.00		
12	12	Richard & Sara Nestro	2750.00	0.00	0.00	0.00	2750.00		
15	15	Agata Kowalczyk	2750.00	0.00	0.00	0.00	2750.00		
TOTAL:			11000.00	0.00	0.00	0.00	11000.00		

DATE: 7/12/17
 TIME: 12:59 PM

The Cove Owners Association #449
 AGED OWNER BALANCES: AS OF July 12, 2017

R E P O R T S U M M A R Y

CODE N/A	DESCRIPTION	ACCOUNT #	CURRENT	OVER 30	OVER 180	OVER 365	TOTAL
A1	ASSESSMENT	1310	6324.00	0.00	0.00	0.00	6324.00
C1	Interior Lot	1310	3144.00	0.00	0.00	0.00	3144.00
G2	Pool Service	1310	1232.00	0.00	0.00	0.00	1232.00
G3	Lift Station	1310	300.00	0.00	0.00	0.00	300.00
GRAND TOTAL:			11000.00	0.00	0.00	0.00	11000.00

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DELINQUENCY AMOUNT
01310	Assessments Receivable	11000.00
T O T A L		\$11000.00

-- End of report --

Definitions

Current Reserve Requirement: Reserve Requirement is 100% funded. This happens rarely and exists when the actual or projected reserve fund balances equal the 100% funded reserve requirement. Also referred to as full funding.

Baseline Funding: Under the financial analysis portion of the reserve study this funding methodology establishes a funding goal within each reserve category or pooling of reserve funds above the zero dollar mark.

Cash Flow Method: This method of developing a reserve funding plan establishes contributions to the reserve fund which are calculated to offset the annual expenditures from the reserve fund balances. A variety of reserve funding plans are tested against the schedule of anticipated reserve expenses until the desired funding level is attained.

Component: The individual line item in a reserve study to be developed or updated in both the physical analysis and financial analysis portions of the reserve study. The individual components make up the reserve categories. Typically reserve components are the association's responsibility and have limited useful lives plus predictable remaining useful life expectancies.

Component Full Funding: Under the financial analysis portion of the reserve study this funding methodology establishes a funding goal of attaining and maintaining cumulative reserves at or near the 100% reserve requirement.

Component Inventory: Component inventories is a list of the qualified individual components to be included in the reserve study. This task should be developed through on site visual inspections, observations, and review of the association documents.

Components Method: This is an alternative reserve funding plan where the total contribution is based on the sum of all contributions for the individual components.

Condition Assessment: The task of evaluating each individual component current condition based upon actual observation, reported characteristics, and historical data.

Deficit: A deficit is an actual or projected reserve balance which is less than the 100% reserve requirement. The opposite of a deficit is a surplus.

Effective Age: Effective age is the difference between the normal life and useful remaining life. The effective age is not always equal to the actual age since some components age irregularly or may be influenced by foreign elements.

Financial Analysis: This portion of the reserve study is where the current reserve funding balance is compared to the amount of funds needed and the recommended reserve contributions are established.

Funding Plan: The funding plan is an associations plan to provide future funds in order to meet anticipated future expenditures. Each plan must have sufficient funds on hand when each expenditure occurs.

Physical Analysis: This is the first portion of the reserve study where the components are inventoried, quantified, life expectancies are estimated, replacement costs are established, normal annual contributions are calculated, and 100% reserve requirements are established.

Pool Funding Method: This reserve funding method uses a general pool of reserve dollars to fund all reserve categories and reserve line items components. No reserve funds are restricted to certain categories or components. The reserve funds still remain restricted for reserve expenditures and cannot be used for operating expenses.

Remaining Useful Life: Remaining useful life represents the estimated years that a reserve component can be expected to perform its intended functions. Also commonly referred to as remaining life.

Replacement Cost: The cost of repairing or replacing a component to its full or original functional condition. The current replacement cost would be the estimated actual cost to complete the repair or replacement at the current point in time the reserve study is being completed.

Reserve Study: A reserve study contains two parts commonly referred to as the physical analysis and a financial

analysis. The reserve study is a short and long term budgeting tool which identifies the current conditions and establishes a financial plan to meet future anticipated major expenditures.

Special Assessment: A special assessment is an assessment levied on association members in addition to the normal assessments. Typically special assessments meet with disfavor among the association members.

Surplus: A surplus is an actual or projected reserve balance which is greater than the 100% reserve requirement.

Threshold Funding: Under the financial analysis this funding methodology establishes a funding goal within each reserve category or pooling of reserve funds above a pre-selected dollar amount.

Useful Remaining Life: Useful remaining live is the estimated number of years remaining prior to the components replacement or repair. The task of estimating the number of years is performed by the reserve specialist. Also commonly referred to as Remaining Life or Useful Live.

PRODUCT & MATERAIL
PRICING ~ DESCRIPTIONS ~ LONGEVITY
RESOURCE

Marshall Swift Publications, monthly pricing up dates, “Marshall Valuation Service Manual” a national authoritative pricing guide for developing replacement cost, insurable values, equipment cost, depreciation, and normal useful lifes on nearly every type of equipment or improved property.

Core Logic Marshall & Swift/Boeckh Commercial Valuation System, “BVS - Commercial Software”. This on line software is a national authoritative pricing guide for developing replacement cost valuation of commercial and agricultural properties, quarterly updates.

* Additional Resources include listing of local consulting contractors.

PARTIAL LISTING OF CONSULTING CONTRACTORS

ACAS, Inc.	561-641-9186	Clayton Capriotti	Gate Access Systems
Adel Resurfacing Company	561-848-3973	Marty Adel	Asphalt Paving
Asphalt Restoration Technology	800-254-4732	Connie Lorenz	Asphalt Paving Specialist
Banco Popular	800-233-7164	Rebecca Prieto	Community Banking
Allied Barton Protective Services, Inc.	954-698-5888	Andrew Daniels	Security Services
Bass United Fire Alarm	800-372-2770	Brad Hiddon	Fire Alarm Systems
BB&T	561-251-1980	Jayne Gelfand	Community Banking Specialist
Beautiful Mailbox	305-403-4820	Sheri Corsetti	Mailboxes
Becker & Poliakoff, PA	800-462-7783	Kenneth S. Direktor	Attorney
Best Roofing	888-723-2378	Gregg Wallick	Roofing Company
Boca Docks & Seawall	561-750-4255	Ken Wells	Docks & Seawalls
B.P. Taurinski Engineering	561-997-6141	Brownie Taurinski	Engineer
Botanical Visions, Inc.	561-361-6677	William Reeves	Horticulturalist
Broadband Specialist	877-826-1625	Jay Abbazia	Bulk TV Specialist
Budget Signs, Inc.	954-941-5710	Bill Simmons	Sign Manufacturer
Carousel Construction	800-365-3219	Michael Bianchini	Concrete Restorations
Caulfield & Wheeler	561-392-1991		Surveyors
Community Associaiton Institute	561-350-5890	Kathy Shebiel	Chapter Executive Director
Chalaire & Associates Engineering	561-694-0336	Donald Chalaire	Engineering
Chapnick Community Association Law	561-330-3096	Michael Chapnick	Attorney
Climate Control Services	561-278-7125	Chuck Walker	Air Conditioning Serv.
Community Asphalt Corp.	800-741-0806	Brian Bettle	Asphalt Paving
Concrete Restoration by Daniello	561-835-4788	Lou Daniello	Concrete Restorations
DiCrescenzo & Company, CPAs	954-571-7073	Ron DiCrescenzo	Accountants
Decktight Roofing Services	800-825-7663	Mikr Varie	Roofing Repair Company
Driveway maintenance	561-848-4004	Nick Small	Asphalt & Concrete Paving
Dry-Concepts	954-370-7778	Michael Jatolf, JR	mold remediation & restore
Duct Masters	954-791-4111	Roger Herde	Air Conditioning & Consultation
Elcon Electronic	800-446-8915	Ronn Hornsby	Street Lighting & Electric Ser.
First Residential Property Mgmt	561-997-4045		Association Management
Florida Sidewalk Solutions	954-514-7218	Steve Sdankus	sidewalk repairs
Fucco Group, LLC	561-367-2960	Donna Seidenberg	CPA

Gator Courts	8090-771-NETS	Scott Miller	Sports Courts
Gerstle & Rosen, CPA	305-937-0116	Robert Rosen	CPA
Grind All Concrete	866-339-5401	Mike Zatelli	sidewalk repairs
Hoover Pump Systems	954-971-7350	Donna Hoover	Irrigation Pump Stations
Hosford Roofing Consultants	954-725-9554	John Hosford	Roofing Consultants
Fl. Master Home Inspections	561-792-0271	Gordon Merchant	Wind Mitigation Inspections
Hartzel Painting	954-922-1006	Ed Hartzel	Painting Company
Howard J. Miller PA & Associates	561-392-2326	Steve Young	Engineering
Industrial Engineering Divers	800-432-6304	Doug Fillmon	Drainage Pipe Divers
J.B. Painting & Waterproofing	800-228-3992	Jim Brown	Painting Company
Kaye & Bender	954-928-0680	Michael Bender	Attorney
Lake Masters Aquatic Weed Control	877-745-5729	Gary Wilhem	Lake Control Services
Lake Erosion Restoration	561-536-4716	Chip Sollins	lake bank restorations
Landmark Elevator Consultants	954-785-1947	Peter Hofmeister	Consultant
Lykins Signtek Inc.	239-594-8494	Martin Ortiz	Street Monument Lights Signs
Marsh & McLennan	305-717-6063	Lieana Galindo	Association Insurance Agent
Marshall Valuation Service	800-526-2756		Building Cost Estimator
Merlin Law Group, PA	877-449-4700	Chip Merlin	Attorney, Insurance Claims
M & R & Sons, Inc.	888-997-9971	Patrick Morone	Painting Company
M & M Asphalt	561-588-0949	Ken Goldberg	Paving Contractor
Mr Rooter Plumbing	800-863-5874	Brent	Plumbing & Drains
Onmy & O'Donnell, Naccarto, Mignogna	561-835-9994	Joseph Mincuzzi	Engineer
OK Generator	800-385-3187		generator company
Palm Clean Services	561-914-0672	Dwight Lyons	Marble & Granite Re-Finishers
Plastridge Insurance Agency	561-276-5221	Mike Bottcher	Association Insurance Agent
Pro-24 Security & Investigative Serv.	954-874-1064	Joseph McKeogh	Security Services Provider
Ranger Construction	561-790-4332	Carl Theiman	Asphalt Paving
RCI Painting	954-978-1213	Marcel Rosen	Painting Company
Rick Carroll Insurance	800-290-3181	Keith Carroll	Association Insurance Agent
Roor-A-Cide	800-806-6727	John Browne	Roof Cleaning
Sachs, Sax & Caplan	561-994-4499	Lou Caplan	Attorney
Shenandoah Construction	954-975-0098	Danny DiMura	Drainage Clean/Repairs
Sherwin Williams	800-226-3539	Bob Cunningham	Paint manufacturer

Smith Watson Parker Cotter Vaught	954-925-2590	Larry Vaught Jr.	Assn. Insurance Agent
Source Outdoor	800-260-4512	Robby Lebhar	Out Door Furniture
South Coast Painting & Waterproofing	800-940-1888	Hal Eisenstein	Painting Company
South Florida Mailbox	561-389-2491	Klye Koteles	Mailboxes
Southeast Electrical Services	561-488-0580	Frank Bracciale	Electricial Contractor
Southern Chute	866-475-9191	John Moriarity	Trash Chutes
Southern Construction	561-841-9450		Concrete Restorations
Southern Park & Play Systems, Inc.	800-247-1545	Dale Hasner	PLayground Equipment
Structural Engineering Associates, Inc.	561-884-4060	David T Colston,	Structural Engineer
Symbiont Service Corp.	800-881-4328	Sandy King, Pres.	Pool Heating Company
Telescope Casual Pool Furniture	407-461-0251	Vern Lachowitz	Pool Furniture Manufacturer
The Nidy Co.	800-226-6439		Sports Courts
Thermal Imaging Diagnostics, Inc.	954-753-8303	Howard Lustgarten	Roof Moisture Surveys
212 Software	800-760-9966	Bruce Gran	Software Systems
U.S. Lawns	561-495-7784	Eric Masse	Landscape Maintenance
U.S. Security Associates	800-279-8408		Security Services Provider
UCI Paints	800-273-1683	Felix Flores	Manufatures Rep.
Zabatt Generators, Inc.	407-294-8673	Xiomara Rodriguez	Generators