

A RESERVE STUDY UPDATE FOR

**Ardissone
Condominium Association, Inc.
Naples, Florida
File # RU06725**

FOR PERIOD: January 1, 2025 – December 31, 2025

**PREPARED BY
SEDGWICK VALUATION SERVICES
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July 17, 2024

Ardissone Condominium Association, Inc.
Attn: Mr. Robert McDorman, Treasurer
C/o Ms. Stacey Sanchez, CAM
2335 Tamiami Trail North, Suite 402
Naples, Florida 34103

Dear Mr. McDorman,

On April 3, 2015, we completed an on-site inspection of Ardissonne Condominium Association, Inc.'s common area reserve items. Data gleaned from this inspection was utilized in the completion of an original reserve study report published on April 16, 2015. An update inspection occurred on June 18, 2020, and a subsequent update report was published on August 28, 2020. This reserve study report is an update of that previous reserve study report, which was accepted as accurate and reliable by the association representatives. A Sedgwick Valuation Services representative did re-inspect the common area reserve items for use in completion of this update reserve study report, on April 3, 2024.

The intent of this report is to show cash reserves necessary for the future repair or replacement of expendable components incorporated into the subject property. The purpose of this report is to aid Ardissonne Condominium Association, Inc. in making a determination for cash reserves that are needed to repair or replace short-lived building and/or site components.

The report identifies each component selected, its estimated useful life, adjusted life, scheduled replacement date, and current cost to repair/replace. The useful and remaining lives of the building components in this study, as well as the current replacement costs, have been selected from market standards, cost estimating services, and consideration of actual recent costs incurred by the association for reserve upgrades. This report is classified as an update reserve study with site visit under the guidelines of the National Reserve Study Standards of the Community Associations Institute, and conforms to the Community Associations Institute Professional Reserve Specialist Code of Ethics. The reserve analyst/specialist and Sedgwick Valuation Services have no relationships with the association that would result in actual or perceived conflicts of interest.

This report is our opinion and based upon observed conditions and state of repair. Actual determinations of the current conditions and state of repair for certain items may be beyond the scope of this report. Items may not last as long as projected or may exceed their estimated lives, and actual costs may not correspond to our included estimates. Influences such as weather, catastrophe, improper maintenance, physical abuse, or abnormal use can affect these lives and/or replacement costs. When such occurrences happen, another inspection should be made and a new revised study prepared. While we have attempted to create a useful tool for the association to plan their needs, the actual reserves set aside are solely at the association's discretion. The findings of this study are not for use in performing an audit, quality/forensic analyses, or background checks of historical records.



In completing this report, the reserve analyst/specialist utilized information taken from the original inspection and reserve study report, as well as observed conditions as of the date of our most recent re-inspection. No destructive testing methods (i.e. roof core sampling, etc.) were utilized during the inspection. Financial data, including the estimated reserve fund balance as of the analysis date, and property histories, provided by you, were utilized in the completion of this report. This data was not audited, and was assumed to be complete and correct. Unless otherwise specified, the reserve analyst/specialist estimated the repair/replacement costs and useful/remaining useful lives taking into account contingencies inherent to this type of work, and the report was prepared utilizing the information gathered in the field and the costs and useful lives estimated by the reserve analyst/specialist.

Respectfully submitted,
Sedgwick Valuation Services

Chloe Conners
Reserve Analyst

Brett Meaux
Reserve Analyst

Table of Contents

Reserve Study Funding Analysis	5
Executive Summary	7
Cash Flow Analysis	8
Item Parameter - Category - Chart.....	9
Item Parameters - Detail	10
Item Parameters - Full Detail.....	12
Expenditures	36
Cash Flow - Chart	41
Cash Flow - Annual	42
Cash Flow - Monthly	43
Supplementary Information	53
Reserve Disclosures	56
Addendum.....	57
Chapter 718 & 719 Florida Statutes.....	58
Terms and Definition	64

RESERVE STUDY FUNDING ANALYSIS

There are two generally accepted means of estimating reserves; the Cash Flow Analysis and the Component Funding Analysis methodologies. The **Cash Flow Analysis** (or Pooling Method) is a method of calculating reserve contributions where contributions to the reserve funds are designed to offset the variable annual expenditures from the reserve fund. This analysis recognizes interest income attributable to reserve accounts over the period of the analysis. Funds from the beginning balances are pooled together and a yearly contribution rate is calculated to arrive at a positive cash flow and reserve account balance to adequately fund the future projected expenditures throughout the period of the analysis.

Prior to December 23, 2002, Florida statute mandated that condominium associations calculate reserves via the Component Funding Analysis method, on an annual basis. Funding at less than 100% of the fully funded estimate, based on the Component Funding Analysis method, could occur only after a full vote of the association membership. As of December 23, 2002, amendments to the Florida Administrative Code recognize the Cash Flow Analysis method as an approved methodology for the calculation of reserve funding for condominium associations. The fund requirement estimated by the Cash Flow Analysis method can now be provided to the membership, on an annual basis as a fully funded figure. The analysis must be completed as a portion of the association's annual budget, include the total estimated useful lives, estimated remaining useful lives, and estimated replacement cost/deferred maintenance expenses of all assets in the reserve budget (minimum roofing, painting, paving and any other item with a replacement/repair cost over \$10,000), and the estimated fund balance of the pooled reserve account as of the beginning of the period for which the budget will be in effect.

If the association maintains a pooled account for reserves, the amount of the contribution to the pooled reserve account as disclosed on the proposed budget shall be not less than that required to ensure that the balance on hand at the beginning of the period for which the budget will go into effect plus the projected annual cash inflows over the remaining estimated useful lives of all of the assets that make up the reserve pool are equal to or greater than the projected annual cash outflows over the remaining estimated useful lives of all of the assets that make up the reserve pool, based on the current reserve analysis. The projected annual cash inflows may include estimated earnings from investment of principal; the association may include annual percentage increases in costs for the reserve components, but these increases are not mandated. Fully funded reserve contributions utilizing this methodology may not include future special assessments, and the annual funding levels cannot include percentage increases.

In our Cash Flow Analysis calculations, we do not include increases in construction costs/inflation. While future costs are expected to be higher than today's costs, which is supported by our analysis of past indexes/trends, increases in costs should be recognized as the association estimates current repair/replacement costs during their annual calculations of full reserve funding. A current cost estimate during the current fiscal year would theoretically be lower than a current cost for future fiscal years. That way the estimates of current cost moving forward will eventually represent current cost as of the date of forecast expenditure. Funding the reserves annually on that basis should ensure that adequate monies are available as of the date of expense, assuming that the current cost estimate is appropriate and that the reserve was fully funded since its last repair/replacement project was completed.

The **Component Funding Analysis** (or Straight Line Method) calculates the annual contribution amount for each individual line item component by dividing the component's unfunded balance by its

remaining useful life. A component's unfunded balance is its replacement cost less the reserve balance in the component at the beginning of the analysis period. The annual contribution rate for each individual line item component is then summed to calculate the total annual contribution rate for this analysis.

EXECUTIVE SUMMARY

PROPERTY DATA

Property Name: Ardisone Condominium Association, Inc.

Property Location: Naples, Florida

Property Type: CA

Total Units: 33

Report Run Date: July 17, 2024

Budget Year Begins: January 1, 2025

Budget Year Ends: December 31, 2025

PROJECTED COMPONENT CATEGORIES AND PARAMETERS

1. Building Exteriors
2. Common Area Interiors
3. Mechanical
4. Mechanical/Electrical
5. Mechanical/HVAC
6. Pavement
7. Pool & Spa
8. Roofs
9. Seawall
10. Security
11. Site Improvements

Total current cost of all reserve components in reserve analysis:	\$	2,098,883
Estimated beginning reserve fund balance for reserve analysis:	\$	307,000
Total number of components scheduled for replacement in the 2025 budget year:		0
Total cost of components scheduled for replacement in the 2025 budget year:	\$	0

ANALYSIS RESULTS –CASH FLOW ANALYSIS

Our recommended annual reserve funding contribution amount:	\$	73,200
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****NOTE:** Due to the higher inflation rates, we recommend that the association increase the recommended contribution each year by the previous year's inflation rate.

CONCLUSIONS

Based on the Cash Flow Analysis methodology, the association can fully fund the reserves as analyzed in this report at \$73,200 in fiscal year 2025. In this analysis we have utilized a 3.00% rate of return on reserve funds invested over the study period (assuming safe investment in CDs, money market accounts, etc.). The Cash Flow Analysis utilizes a pooling effect with reserve funds by pooling all funds together and distributing these funds to individual components as their replacement comes due. Funds that are pooled together in the cash flow analysis include the beginning balance, contributions to the reserve funds and interest earned on reserve funds. These pooled funds are matched against reserve expenditures throughout the period of the analysis by using our reserve analysis software program to ensure that the available funds are always greater than expenditures.

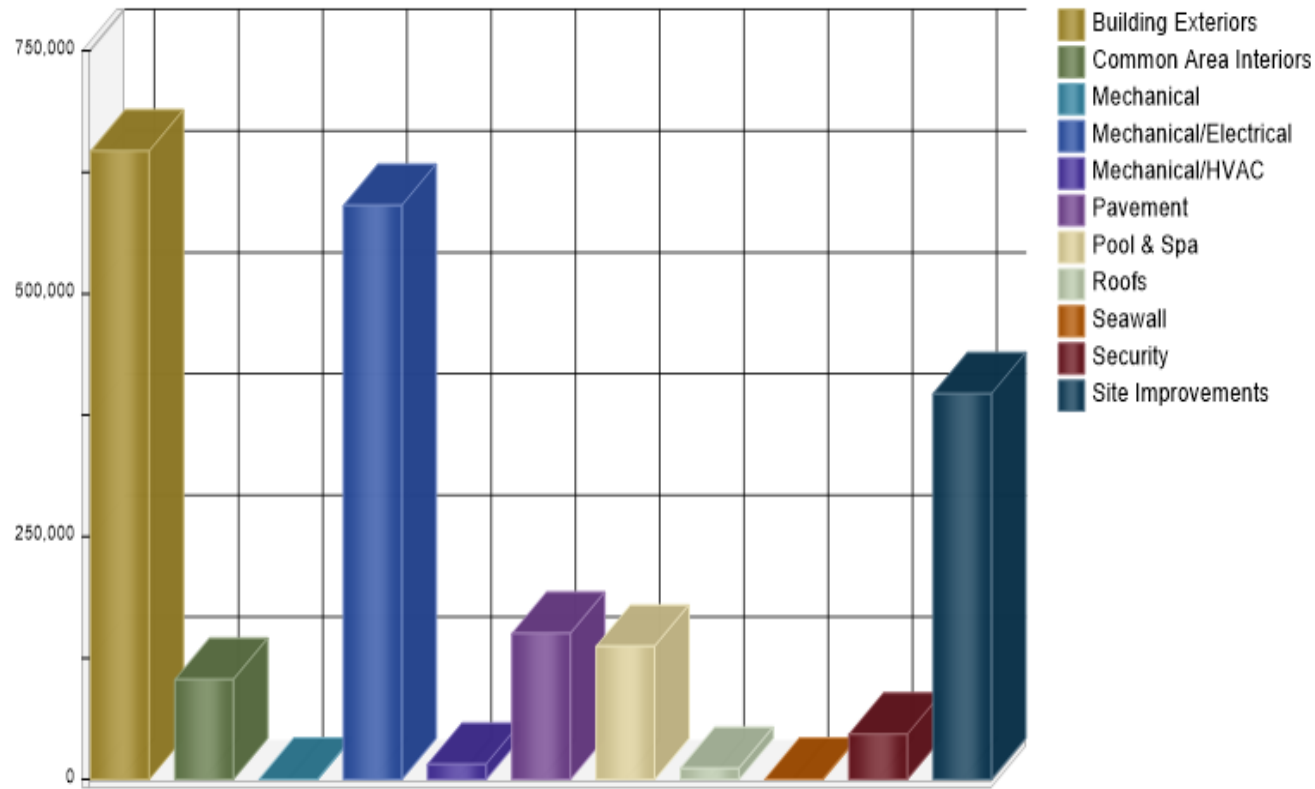
CASH FLOW ANALYSIS

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameter - Category - Chart



Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Detail

Items	Reserve Item	Code	Desc.	Replace Date	Basis Cost	Quantity	Current Cost	Adj Life	Rem Life	Future Cost
Building Exteriors										
	Railings, Glass	910-000-0021		07/01/2043	\$ 271.60	80 ln ft	\$ 21,728	25:00	18:06	\$ 21,728
	Railings/Handrails	910-000-0003		07/01/2043	115.74	5,400 ln ft	624,996	30:00	18:06	624,996
							<u>646,724</u>			<u>646,724</u>
Common Area Interiors										
	Elevator Cab Interiors- *Provision	920-001-0017	Bldg. 1	07/01/2030	\$ 15,470.00	1 cabs	\$ 15,470	28:00	5:06	\$ 15,470
	Elevator Cab Interiors- *Provision	920-002-0017	Bldg. 2	06/01/2030	15,470.00	1 cabs	15,470	28:00	5:05	15,470
	Elevator Cab Interiors- *Provision	920-003-0017	Bldg. 3	06/01/2030	15,470.00	1 cabs	15,470	28:00	5:05	15,470
	Elevator Cab Interiors- *Provision	920-004-0017	Bldg. 4	05/01/2049	15,470.00	1 cabs	15,470	25:00	24:04	15,470
	Elevator Cab Interiors- *Provision	920-005-0017	Bldg. 5	05/01/2049	15,470.00	1 cabs	15,470	25:00	24:04	15,470
	Elevator Cab Interiors- *Provision	920-006-0017	Bldg. 6	05/01/2049	15,470.00	1 cabs	15,470	25:00	24:04	15,470
	Furn./Finishes, Guardhouse Interior	910-000-0012		06/01/2037	55.14	184 sq ft	10,146	25:00	12:05	10,146
							<u>102,966</u>			<u>102,966</u>
Mechanical										
	Trash Chute- *Provision	910-000-0029			\$ 0.00	0 floors	\$ 0	0:00	0:00	\$ 0
							<u>0</u>			<u>0</u>
Mechanical/Electrical										
	Elevator Modernization, Hydraulic	910-000-0004		07/01/2046	\$ 98,495.11	6 cabs	\$ 590,971	30:00	21:06	\$ 590,971
							<u>590,971</u>			<u>590,971</u>
Mechanical/HVAC										
	Elevator HVAC, Mini-Split System	920-001-0028		07/01/2028	\$ 2,600.00	4 each	\$ 10,400	10:00	3:06	\$ 10,400
	Elevator HVAC, Mini-Split System	920-002-0028		06/01/2033	2,600.00	2 each	5,200	10:00	8:05	5,200
							<u>15,600</u>			<u>15,600</u>
Pavement										
	Pavers, Parking/Drives	910-000-0013		07/01/2037	\$ 6.35	23,670 sq ft	\$ 150,305	25:00	12:06	\$ 150,305
							<u>150,305</u>			<u>150,305</u>
Pool & Spa										
	Interior Renovations, Restrooms	910-000-0011	2 Restrooms	07/01/2026	\$ 8,300.00	1 total	\$ 8,300	12:00	1:06	\$ 8,300
	Pool & Spa Equipment Allowance	910-000-0009		07/01/2035	10,000.00	1 total	10,000	12:00	10:06	10,000
	Pool & Spa Interiors	910-000-0006		07/01/2026	24.30	925 sq ft	22,478	12:00	1:06	22,478

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Detail

Items	Reserve Item	Code	Desc.	Replace Date	Basis Cost	Quantity	Current Cost	Adj Life	Rem Life	Future Cost
Pool & Spa										
	Pool Deck Pavers	910-000-0007		07/01/2026	\$ 10.06	1,625 sq ft	\$ 16,348	12:00	1:06	\$ 16,348
	Pool Furniture Allowance	910-000-0008		07/01/2030	50,020.43	1 lp sum	50,020	12:00	5:06	50,020
	Pool Heaters, Geothermal	910-000-0020		07/01/2026	10,000.00	3 heaters	30,000	12:00	1:06	30,000
							<u>137,145</u>			<u>137,145</u>
Roofs										
	Roofing, Metal	910-000-0015	Guardhouse	12/01/2053	\$ 1,001.35	11.33 sqs	\$ 11,345	30:00	28:11	\$ 11,345
							<u>11,345</u>			<u>11,345</u>
Seawall										
	Seawall Restoration-*Provision	910-000-0022		07/01/2034	\$ 0.00	0 lp sum	\$ 0	50:00	9:06	\$ 0
							<u>0</u>			<u>0</u>
Security										
	Enter-phone Access Control	920-001-0026	Gate	07/01/2026	\$ 2,037.86	6 each	\$ 12,227	12:00	1:06	\$ 12,227
	Enter-phone Access Control	920-002-0026		06/01/2033	2,037.86	1 each	2,038	10:00	8:05	2,038
	Gate Motors, Swing	910-000-0023		07/01/2028	3,280.00	2 gates	6,560	8:00	3:06	6,560
	Gates, Swing, Entry/Exit	910-000-0018		07/01/2031	6,728.79	2 each	13,458	18:00	6:06	13,458
	Security, Video Surveillance- *Provision	910-000-0027		03/01/2033	12,200.00	1 lp sum	12,200	10:00	8:02	12,200
							<u>46,483</u>			<u>46,483</u>
Site Improvements										
	Composite Decking -Trex	920-001-0019	Pool	07/01/2036	\$ 59.23	760 sq ft	\$ 45,015	22:00	11:06	\$ 45,015
	Composite Decking -Trex	920-002-0019	Veranda	07/01/2040	59.23	480 sq ft	28,430	22:00	15:06	28,430
	Docks Restoration	910-000-0014		07/01/2034	112.69	2,766 sq ft	311,701	25:00	9:06	311,701
	Site Lighting, Docks- *Provision	910-000-0024		06/01/2037	12,200.00	1 lp sum	12,200	14:00	12:05	12,200
							<u>397,346</u>			<u>397,346</u>
							<u>2,098,884</u>			<u>2,098,884</u>

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Railings, Glass

Item Number	21
Type	Common Area
Category	Building Exteriors
Measurement Basis	In ft
Estimated Useful Life	25 Years
Basis Cost	\$ 271.60
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0021		07/01/2018	07/01/2043	18:06	25:00	80	21,728.00	21,728.00
							21,728.00	21,728.00

Comments

At some point in the foreseeable future, the association should expect to incur costs for replacement of the glass and metal frame railings/handrails located at the pool. Replacement is sometimes completed in conjunction with major concrete restoration; we have observed life cycles for metal railings replacement after less than 25 years, while some properties of 40+ years in age have yet to complete replacement. The application of glass panes in a railing system is fairly new and therefore, no statical data is available to predict a projected replacement date. A conservative useful life of 25 years has been applied to this component.

The current per linear foot cost estimate includes removal and disposal of the existing railings, typical minor concrete repairs, and installation of railings of similar height/quality.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Railings/Handrails

Item Number	3
Type	Common Area
Category	Building Exteriors
Measurement Basis	In ft
Estimated Useful Life	30 Years
Basis Cost	\$ 115.74
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0003		07/01/2013	07/01/2043	18:06	30:00	5,400	624,996.00	624,996.00
							624,996.00	624,996.00

Comments

At some point in the foreseeable future, the association should expect to incur costs for replacement of the railings/handrails. Replacement is sometimes completed in conjunction with major concrete restoration; we have observed life cycles for railings replacement after less than 25 years, while some properties of 40+ years in age have yet to complete replacement. As such a 30 year replacement life has been assigned based on the history of replacement at the subject property.

The current per linear foot cost estimate includes removal and disposal of the existing railings, typical minor concrete repairs, and installation of railings of similar height/quality.

*The cost for this line item was provided. The cost includes extensive stucco work, labor, and two alternative types of railings.



Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Elevator Cab Interiors- *Provision

Item Number 17
Type Common Area
Category Common Area Interiors
Measurement Basis cabs
Estimated Useful Life 25 Years
Basis Cost \$ 15,470.00
Tracking Logistical
Method Adjusted



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0017	Bldg. 1	07/01/2002	07/01/2030	5:06	28:00	1	15,470.00	15,470.00
920-002-0017	Bldg. 2	06/01/2002	06/01/2030	5:05	28:00	1	15,470.00	15,470.00
920-003-0017	Bldg. 3	06/01/2002	06/01/2030	5:05	28:00	1	15,470.00	15,470.00
920-004-0017	Bldg. 4	05/01/2024	05/01/2049	24:04	25:00	1	15,470.00	15,470.00
920-005-0017	Bldg. 5	05/01/2024	05/01/2049	24:04	25:00	1	15,470.00	15,470.00
920-006-0017	Bldg. 6	05/01/2024	05/01/2049	24:04	25:00	1	15,470.00	15,470.00
							92,820.00	92,820.00

Comments

Major cosmetic refurbishment of passenger elevator cabs (flooring, wall finishes, ceilings/lighting, etc.) has been observed on life cycles in the 15-20 year range in properties of similar overall quality, with the most typical falling on the higher end of the range.

*It has been reported that the elevator cab interiors in buildings 4, 5, and 6 will be renovated in 2024. A cost has not been provided. As such, we have applied a current market supported cost. At such time as the association can provide further guidance, such as the vendor quote, the report can be amended accordingly. It has been reported that the association has no intention of updating the cab interiors in the foreseeable future in buildings 1, 2 and 3. Therefore, we have revised the useful life to 25 years and adjusted the upgrade of the cab interiors to occur in 2030.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Furn./Finishes, Guardhouse Interior

Item Number 12
Type Common Area
Category Common Area Interiors
Measurement Basis sq ft
Estimated Useful Life 25 Years
Basis Cost \$ 55.14
Tracking Logistical
Method Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0012		06/01/2012	06/01/2037	12:05	25:00	184	10,145.76	10,145.76
							10,145.76	10,145.76

Comments

This line item was included for major furniture/furnishings replacement within the guardhouse interiors, including (but not necessarily limited to) chairs, tables, decorative lighting/lamps, office furniture, etc. In our experience, while minor additions and/or replacements can be expected from time to time, better quality properties complete these upgrades in social rooms, lobbies, etc. on life cycles in the +/-15 year range, while major administrative offices furnishings may not be completed for 20+ years. The current cost estimate is based on the quality of the existing inventories, the size of the rooms in floor area and an average per square foot unit cost. As is with any cosmetic renovation, the actual costs may vary from our estimates based on association cosmetic preferences. It was reported by an association representative that the guardhouse interiors were renovated in 2012.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025
Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current
Item Parameters - Full Detail

Trash Chute- *Provision

Item Number	29
Type	Common Area
Category	Mechanical
Measurement Basis	floors
Estimated Useful Life	0 Year
Basis Cost	\$ 0.00
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
Comments								

Data taken from older properties within the southeast Florida marketplace suggests that major trash chute restoration/replacement should be expected on a 35-40+ year basis, which assumes typical and routine maintenance.

*At the direction of the association representative, we have not included funding for this line item.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Elevator Modernization, Hydraulic

Item Number	4
Type	Common Area
Category	Mechanical/Electrical
Measurement Basis	cabs
Estimated Useful Life	30 Years
Basis Cost	\$ 98,495.11
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0004		07/01/2016	07/01/2046	21:06	30:00	6	590,970.66	590,970.66
							590,970.66	590,970.66

Comments

The useful life of the electrical and mechanical components (motors, controllers, door operators, call buttons, etc.) of traction/hydraulic elevators can range rather widely. Typically, this upgrade is driven by an association's dissatisfaction with elevator speed, smoothness of ride, and/or noise. We have observed hydraulic elevator modernization after +/- 25 years, to over 40 years.

An elevator modernization consists of varying scopes of work when comparing facility to facility and even elevator to elevator within the same facility. The industry term "modernization" is essentially the replacement and refurbishment of elevator components to reset the life cycle of the equipment. Typically, the more work that is performed, the longer the next life cycle will be. Asking several elevator companies to provide a quote for an elevator modernization will likely result in several different scopes of work, as each elevator company will likely take a different viewpoint as to what should be replaced, retained and refurbished and with what level of quality and make/model equipment.

If the association has an existing service agreement we recommend that it should be reviewed by legal counsel, as you may be obligated to fulfill the term of the agreement or a premature cancellation penalty may apply. The elevator modernization bid package should be inclusive of all related the elevator work.

As part of an elevator modernization, there is often building related work that is required, either for code reasons and or to ensure proper functionality of the elevator after it is modernized. Associations typically elect to have this work performed by the elevator contractor under their contract, though the owner can specify what sub-contractor's the elevator contractor shall use or they may allow the elevator contractor to work with who they prefer. We recommend that the association perform a more

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

detailed survey and discuss a replacement plan with the local authorities to ensure the final scope of work is code compliant.

The cost for the 2016 modernization was provided and trended with inflation to reflect a current cost.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Elevator HVAC, Mini-Split System

Item Number 28
Type Common Area
Category Mechanical/HVAC
Measurement Basis each
Estimated Useful Life 10 Years
Basis Cost \$ 2,600.00
Tracking Logistical
Method Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0028		07/01/2018	07/01/2028	3:06	10:00	4	10,400.00	10,400.00
920-002-0028		06/01/2023	06/01/2033	8:05	10:00	2	5,200.00	5,200.00
							15,600.00	15,600.00

Comments

For the purposes of this analysis, we have utilized cost estimates based on the size of the elevator's HVAC euro mini-split systems. The cost includes any required minor electrical and installation. A useful life of 10-12 years can realistically be expected for the exterior condensers.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Pavers, Parking/Drives

Item Number	13
Type	Common Area
Category	Pavement
Measurement Basis	sq ft
Estimated Useful Life	25 Years
Basis Cost	\$ 6.35
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0013		07/01/2012	07/01/2037	12:06	25:00	23,670	150,304.50	150,304.50
							150,304.50	150,304.50

Comments

Some associations consider paver parking and drives, sidewalks, pool and spa decks, etc. to be effectively permanent, and opt to exclude replacement from their annual reserve budgets. Others do establish and fund reserves, on observed budgetary life cycles of 20-40 years. It is our opinion that reserving for eventual replacement is prudent, if only for cosmetic purposes; we have observed older pavers that appear worn and dated, even with periodic pressure washing and/or sealing. It was reported by an association representative that the pavers at the parking areas/drives were installed in 2012.

At the sole discretion of the association representative, we have applied the cost provided based on a recent quote. Please note, this provided cost is much lower than the average market costs we have seen.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Interior Renovations, Restrooms

Item Number	11
Type	Common Area
Category	Pool & Spa
Measurement Basis	total
Estimated Useful Life	25 Years
Basis Cost	\$ 8,300.00
Tracking	Logistical
Method	Adjusted



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0011	2 Restrooms	07/01/2014	07/01/2026	1:06	12:00	1	8,300.00	8,300.00
							8,300.00	8,300.00

Comments

This fund is designed to cover costs related to the major interior renovation of the common area restroom interiors, including tile flooring, wall/ceiling finishes, mirrors, dividers, countertops, lighting and plumbing fixtures, etc., should be expected on a +/- 25 year life cycle. The current cost estimate is representative of the total combined floor area and an average per square foot unit cost. This analysis assumes that minor as needed replacements/repairs will continue to be completed as a function of ongoing maintenance. It was reported by an association representative that the pool and spa restrooms were renovated in 2014. At the direction of the association, we have adjusted the renovation of the restrooms to occur in 2026.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Pool & Spa Equipment Allowance

Item Number 9
Type Common Area
Category Pool & Spa
Measurement Basis total
Estimated Useful Life 12 Years
Basis Cost \$ 10,000.00
Tracking Logistical
Method Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0009		07/01/2023	07/01/2035	10:06	12:00	1	10,000.00	10,000.00
							10,000.00	10,000.00

Comments

Since it is unlikely that the entire inventory of pool equipment (pumps, filters, chlorination systems, etc.) will require replacement at any one given time under normal operating conditions, many associations choose to fund as needed replacements of the pool equipment inventory through the annual operating budget. Based on our experience with similar properties, we have estimated a nominal allowance. This cost and time frame may vary, even widely, from actual expenses and can be adjusted as needed.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Pool & Spa Interiors

Item Number	6
Type	Common Area
Category	Pool & Spa
Measurement Basis	sq ft
Estimated Useful Life	12 Years
Basis Cost	\$ 24.30
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0006		07/01/2014	07/01/2026	1:06	12:00	925	22,477.50	22,477.50
							22,477.50	22,477.50

Comments

Assuming proper installation, chemical balancing, and routine maintenance, interior resurfacing of standard concrete pools and spas with marcite or aggregate interior finishes should be expected on a life cycle in the 10-12 year range. The current per square foot of surface area cost estimate includes typical minor tank/structural repairs, tile upgrades and/or replacements, and installation of new aggregate surface materials (i.e. "diamond brite", "pebble crete", etc.).



Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Pool Deck Pavers

Item Number	7
Type	Common Area
Category	Pool & Spa
Measurement Basis	sq ft
Estimated Useful Life	25 Years
Basis Cost	\$ 10.06
Tracking	Logistical
Method	Adjusted



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0007		07/01/2014	07/01/2026	1:06	12:00	1,625	16,347.50	16,347.50
							16,347.50	16,347.50

Comments

Replacement of this type of decking is typically completed on a 20-25 year life cycle, with proper installation and maintenance. The current cost estimate includes removal and replacement of the existing paver decking with a similar quality and is based on the total size of brick paved decking and a market supported per square foot unit cost. At the direction of the association, we have adjusted the replacement of the pool pavers to occur in 2026.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Pool Furniture Allowance

Item Number	8
Type	Common Area
Category	Pool & Spa
Measurement Basis	lp sum
Estimated Useful Life	12 Years
Basis Cost	\$ 50,020.43
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0008		07/01/2018	07/01/2030	5:06	12:00	1	50,020.43	50,020.43
							50,020.43	50,020.43

Comments

While minor additions/replacements can be expected from time to time, and assuming periodic as needed re-strapping and/or refinishing as a function of routine maintenance, most associations complete pool deck furniture inventory replacements on an 8-12 year life cycle. The current cost estimate is an average figure for the differing types (i.e. chaise lounges, tables, chairs, umbrellas, trash receptacles, etc.). The cost for the 2018 replacement was provided and trended with inflation to reflect a current cost estimate.



Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Pool Heaters, Geothermal

Item Number 20
Type Common Area
Category Pool & Spa
Measurement Basis heaters
Estimated Useful Life 12 Years
Basis Cost \$ 10,000.00
Tracking Logistical
Method Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0020		07/01/2014	07/01/2026	1:06	12:00	3	30,000.00	30,000.00
							30,000.00	30,000.00

Comments

Geothermal pool heaters, like those in use at the subject property typically enjoy a life cycle of 10-20 years, with 10 years being more common. The current cost estimate is based on our knowledge of similar replacements. The cost should include the removal of existing equipment and replacement with like quality. The cost applied has been provided.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Roofing, Metal

Item Number	15
Type	Common Area
Category	Roofs
Measurement Basis	sqs
Estimated Useful Life	30 Years
Basis Cost	\$ 1,001.35
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0015	Guardhouse	12/01/2023	12/01/2053	28:11	30:00	11.33	11,345.30	11,345.30
							11,345.30	11,345.30

Comments

Life cycles of less than 20 years, to 35+ years, have been observed for replacement of metal roofing; the most typical life falls in the 30-year range, assuming proper design, installation and routine maintenance. As no professional roofing studies were provided that would indicate that physical conditions exist at this roofing that would otherwise limit its remaining useful life, a 2053 replacement date was forecast. The current cost estimate includes removal and disposal of the existing roofing, typical minor repairs to the underlying roof structures, flashing, as needed repair/replacement of fascia, soffits and/or gutters and downspouts, and installation of like roofing.

*It has been reported that the roof was replaced in December 2023. A cost was not provided. As such, we have applied a market supported cost. At such time as the association can provide an actual cost, the report can be amended accordingly. The measurement includes a 25 percent waste factor.

One square = 100 square feet

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Seawall Restoration-*Provision

Item Number 22
Type Common Area
Category Seawall
Measurement Basis lp sum
Estimated Useful Life 50 Years
Basis Cost \$ 0.00
Tracking Logistical
Method Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
Comments								

At some point in the foreseeable future, the association should expect to incur costs for major restoration of their concrete seawall, including the concrete cap, walls, tiebacks, riprap, etc. Useful lives can vary, rather widely, on a number of physical factors. We have observed seawall restoration after less than 20 years in service, while some seawalls of 40+ years have yet to be restored/replaced. For budgeting purposes, we have separated the costs of a dock replacement vs the seawall within the study. Typically, these replacements would occur at the same time. Therefore, we have adjusted the useful life to coincide with the dock replacement.

*At the direction of the association, we have removed funding for this line item. It has been reported that any future maintenance and restoration will be funded through a special assessment.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Enter-phone Access Control

Item Number	26
Type	Common Area
Category	Security
Measurement Basis	each
Estimated Useful Life	10 Years
Basis Cost	\$ 2,037.86
Tracking	Logistical
Method	Adjusted



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0026		07/01/2014	07/01/2026	1:06	12:00	6	12,227.16	12,227.16
920-002-0026	Gate	06/01/2023	06/01/2033	8:05	10:00	1	2,037.86	2,037.86
							14,265.02	14,265.02

Comments

Enter-phone access control keypads, like the one in service at the subject property typically enjoy a useful life cycle of +/-10 years, barring unforeseen vehicle or storm damages. The cost estimate is based on actual costs incurred at similar properties and is in keeping with retail pricing indexes. The cost and life may vary depending on the system chosen and association tastes.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Gate Motors, Swing

Item Number	23
Type	Common Area
Category	Security
Measurement Basis	gates
Estimated Useful Life	8 Years
Basis Cost	\$ 3,280.00
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0023		07/01/2020	07/01/2028	3:06	8:00	2	6,560.00	6,560.00
							6,560.00	6,560.00

Comments

This category refers to costs associated with replacement of the metal entry/exit gate motors. Based on industry standards, a maximum useful life of approximately 8 years can realistically be expected for these motors. The current replacement cost for each motor is based on industry standards, national cost estimating indexes, and our experience.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Gates, Swing, Entry/Exit

Item Number	18
Type	Common Area
Category	Security
Measurement Basis	each
Estimated Useful Life	18 Years
Basis Cost	\$ 6,728.79
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0018		07/01/2013	07/01/2031	6:06	18:00	2	13,457.58	13,457.58
							13,457.58	13,457.58

Comments

This category refers to costs associated with replacement of the two metal entry/exit gates. Based on industry standards, a maximum useful life of approximately 15-20 years can realistically be expected for these types of gates. The current replacement cost is based on industry standards, national cost estimating indexes, and our experience. The cost includes the replacement of the metal grid on the planter wall connected to the guardhouse and the pedestrian gate.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Security, Video Surveillance- *Provision

Item Number 27
Type Common Area
Category Security
Measurement Basis lp sum
Estimated Useful Life 10 Years
Basis Cost \$ 12,200.00
Tracking Logistical
Method Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0027		03/01/2023	03/01/2033	8:02	10:00	1	12,200.00	12,200.00
							12,200.00	12,200.00

Comments

The association's camera video surveillance system was reportedly purchased/placed in service in 2023. Data gleaned from both within and outside the local market area indicates that while minor component repairs/replacements (cameras, monitors, recording equipment, hardware/software, etc.) can be expected as a function of ongoing maintenance, total system modernization and/or replacement can be expected on a life cycle in the 10-12 year range.

*The cost for the 2023 replacement was not provided. At such time as the association can provide further guidance, the report can be amended accordingly.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Composite Decking -Trex

Item Number 19
Type Common Area
Category Site Improvements
Measurement Basis sq ft
Estimated Useful Life 22 Years
Basis Cost \$ 59.23
Tracking Logistical
Method Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0019	Pool	07/01/2014	07/01/2036	11:06	22:00	760	45,014.80	45,014.80
920-002-0019	Veranda	07/01/2018	07/01/2040	15:06	22:00	480	28,430.40	28,430.40
							73,445.20	73,445.20

Comments

Assuming proper and routine maintenance, including as needed board replacements and barring any unforeseen storm damages, a life cycle in the low to mid 20 year range is the market norm we have observed for major restoration of composite decks and dune crossovers. The current cost estimate includes replacement of the decking and typical minor repairs to the underlying framing, stringers, and pilings, is based on the total approximate square footage of deck area, and a \$59.23 /square foot unit cost. This cost is reflective of total replacement, which should not be necessary in the foreseeable future under normal conditions.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Docks Restoration

Item Number	14
Type	Common Area
Category	Site Improvements
Measurement Basis	sq ft
Estimated Useful Life	25 Years
Basis Cost	\$ 112.69
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0014		07/01/2009	07/01/2034	9:06	25:00	2,766	311,700.54	311,700.54
							311,700.54	311,700.54

Comments

This reserve refers to costs associated with periodic third party restoration of the composite dock and slips, including replacement of the decking, and typical minor repairs to the underlying framing, stringers and pilings, With routine maintenance, including periodic as needed repairs, a life cycle in the 18-25 year range can be expected. The current cost basis is applied from the engineering review of 2019 and trended with inflation to reflect a current cost estimate.

*The cost applied is for the demo and replacement of the docks only.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Item Parameters - Full Detail

Site Lighting, Docks- *Provision

Item Number	24
Type	Common Area
Category	Site Improvements
Measurement Basis	lp sum
Estimated Useful Life	14 Years
Basis Cost	\$ 12,200.00
Tracking	Logistical
Method	Fixed



Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0024		06/01/2023	06/01/2037	12:05	14:00	1	12,200.00	12,200.00
							12,200.00	12,200.00

Comments

While minor as needed replacement can be expected from time to time, the association should expect a major inventory replacement on a +/- 15 year life cycle for these lights.

*It has been reported that the site lighting on the docks was replaced in 2023. A cost was not provided. At such time as the association can provide further guidance, the report can be amended accordingly.

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Expenditures

Category	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Common Area Interiors										
Elevator Cab Interiors- *Provision						46,410				
	0	0	0	0	0	46,410	0	0	0	0
Mechanical/HVAC										
Elevator HVAC, Mini-Split System				10,400					5,200	
	0	0	0	10,400	0	0	0	0	5,200	0
Pool & Spa										
Interior Renovations, Restrooms		8,300								
Pool & Spa Interiors		22,478								
Pool Deck Pavers		16,348								
Pool Furniture Allowance						50,020				
Pool Heaters, Geothermal		30,000								
	0	77,125	0	0	0	50,020	0	0	0	0
Security										
Enter-phone Access Control		12,227							2,038	
Gate Motors, Swing				6,560						
Gates, Swing, Entry/Exit							13,458			
Security, Video Surveillance- *Provision									12,200	
	0	12,227	0	6,560	0	0	13,458	0	14,238	0
Site Improvements										
Docks Restoration										311,701
	0	0	0	0	0	0	0	0	0	311,701
	0	89,352	0	16,960	0	96,430	13,458	0	19,438	311,701

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Expenditures

Category	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Building Exteriors										
Railings, Glass									21,728	
Railings/Handrails									624,996	
	0	0	0	0	0	0	0	0	646,724	0
Common Area Interiors										
Furn./Finishes, Guardhouse Interior			10,146							
	0	0	10,146	0	0	0	0	0	0	0
Mechanical/HVAC										
Elevator HVAC, Mini-Split System				10,400					5,200	
	0	0	0	10,400	0	0	0	0	5,200	0
Pavement										
Pavers, Parking/Drives			150,305							
	0	0	150,305	0	0	0	0	0	0	0
Pool & Spa										
Pool & Spa Equipment Allowance	10,000									
Pool & Spa Interiors				22,478						
Pool Furniture Allowance								50,020		
Pool Heaters, Geothermal				30,000						
	10,000	0	0	52,478	0	0	0	50,020	0	0
Security										
Enter-phone Access Control		12,227							2,038	
Gate Motors, Swing		6,560								6,560
Security, Video Surveillance- *Provision									12,200	
	0	18,787	0	0	0	0	0	0	14,238	6,560

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Expenditures

Category	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Site Improvements										
Composite Decking -Trex		45,015				28,430				
Site Lighting, Docks- *Provision			12,200							
	0	45,015	12,200	0	0	28,430	0	0	0	0
	10,000	63,802	172,650	62,878	0	28,430	0	50,020	666,162	6,560

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Expenditures

Category	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Common Area Interiors										
Elevator Cab Interiors- *Provision					46,410					
	0	0	0	0	46,410	0	0	0	0	0
Mechanical/Electrical										
Elevator Modernization, Hydraulic		590,971								
	0	590,971	0	0	0	0	0	0	0	0
Mechanical/HVAC										
Elevator HVAC, Mini-Split System				10,400					5,200	
	0	0	0	10,400	0	0	0	0	5,200	0
Pool & Spa										
Interior Renovations, Restrooms							8,300			
Pool & Spa Equipment Allowance			10,000							
Pool & Spa Interiors						22,478				
Pool Deck Pavers							16,348			
Pool Furniture Allowance										50,020
Pool Heaters, Geothermal						30,000				
	0	0	10,000	0	0	52,478	24,648	0	0	50,020
Roofs										
Roofing, Metal									11,345	
	0	0	0	0	0	0	0	0	11,345	0
Security										
Enter-phone Access Control		12,227							2,038	
Gate Motors, Swing								6,560		
Gates, Swing, Entry/Exit					13,458					
Security, Video Surveillance- *Provision									12,200	
	0	12,227	0	0	13,458	0	0	6,560	14,238	0

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Expenditures

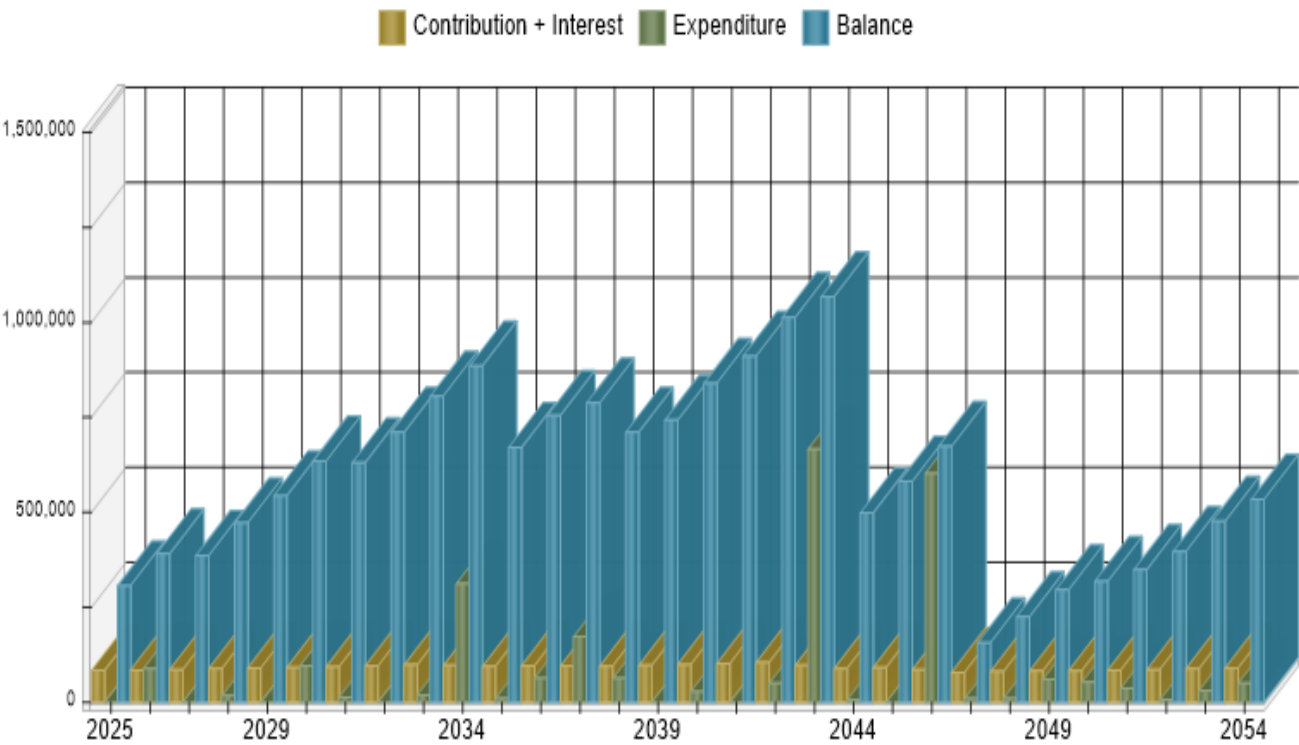
Category	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Site Improvements										
Site Lighting, Docks- *Provision							12,200			
	0	0	0	0	0	0	12,200	0	0	0
	0	603,198	10,000	10,400	59,868	52,478	36,848	6,560	30,783	50,020

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Chart



Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Annual

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/25 - 12/25	\$ 307,000.00	\$ 73,200.00	\$ 10,445.40	\$ 0.00	\$ 390,645.40
01/26 - 12/26	390,645.40	73,200.00	11,753.97	89,352.16	386,247.21
01/27 - 12/27	386,247.21	73,200.00	12,855.79	0.00	472,303.00
01/28 - 12/28	472,303.00	73,200.00	15,238.71	16,960.00	543,781.71
01/29 - 12/29	543,781.71	73,200.00	17,647.35	0.00	634,629.06
01/30 - 12/30	634,629.06	73,200.00	18,998.66	96,430.43	630,397.29
01/31 - 12/31	630,397.29	73,200.00	20,095.72	13,457.58	710,235.43
01/32 - 12/32	710,235.43	73,200.00	22,710.19	0.00	806,145.62
01/33 - 12/33	806,145.62	73,200.00	25,216.11	19,437.86	885,123.87
01/34 - 12/34	885,123.87	73,200.00	23,719.28	311,700.54	670,342.61
	307,000.00	732,000.00	178,681.18	547,338.57	670,342.61

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/35 - 12/35	\$ 670,342.61	\$ 73,200.00	\$ 21,358.53	\$ 10,000.00	\$ 754,901.14
01/36 - 12/36	754,901.14	73,200.00	23,186.48	63,801.96	787,485.66
01/37 - 12/37	787,485.66	73,200.00	22,615.73	172,650.26	710,651.13
01/38 - 12/38	710,651.13	73,200.00	21,853.33	62,877.50	742,826.96
01/39 - 12/39	742,826.96	73,200.00	23,701.49	0.00	839,728.45
01/40 - 12/40	839,728.45	73,200.00	26,255.69	28,430.40	910,753.74
01/41 - 12/41	910,753.74	73,200.00	28,809.15	0.00	1,012,762.89
01/42 - 12/42	1,012,762.89	73,200.00	31,220.15	50,020.43	1,067,162.61
01/43 - 12/43	1,067,162.61	73,200.00	24,212.05	666,161.86	498,412.80
01/44 - 12/44	498,412.80	73,200.00	16,176.69	6,560.00	581,229.49
	670,342.61	732,000.00	239,389.29	1,060,502.41	581,229.49

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/45 - 12/45	\$ 581,229.49	\$ 73,200.00	\$ 18,786.37	\$ 0.00	\$ 673,215.86
01/46 - 12/46	673,215.86	73,200.00	13,242.97	603,197.82	156,461.01
01/47 - 12/47	156,461.01	73,200.00	5,728.32	10,000.00	225,389.33
01/48 - 12/48	225,389.33	73,200.00	7,819.35	10,400.00	296,008.68
01/49 - 12/49	296,008.68	73,200.00	9,047.68	59,867.58	318,388.78
01/50 - 12/50	318,388.78	73,200.00	10,066.12	52,477.50	349,177.40
01/51 - 12/51	349,177.40	73,200.00	11,187.80	36,847.50	396,717.70
01/52 - 12/52	396,717.70	73,200.00	13,083.54	6,560.00	476,441.24
01/53 - 12/53	476,441.24	73,200.00	15,173.66	30,783.16	534,031.74
01/54 - 12/54	534,031.74	73,200.00	16,659.08	50,020.43	573,870.39
	581,229.49	732,000.00	120,794.89	860,153.99	573,870.39

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2025	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 307,000.00	\$ 6,100.00	\$ 775.13	\$ 0.00	\$ 313,875.13
February	313,875.13	6,100.00	792.31	0.00	320,767.44
March	320,767.44	6,100.00	809.54	0.00	327,676.98
April	327,676.98	6,100.00	826.82	0.00	334,603.80
May	334,603.80	6,100.00	844.13	0.00	341,547.93
June	341,547.93	6,100.00	861.49	0.00	348,509.42
July	348,509.42	6,100.00	878.90	0.00	355,488.32
August	355,488.32	6,100.00	896.35	0.00	362,484.67
September	362,484.67	6,100.00	913.84	0.00	369,498.51
October	369,498.51	6,100.00	931.37	0.00	376,529.88
November	376,529.88	6,100.00	948.95	0.00	383,578.83
December	383,578.83	6,100.00	966.57	0.00	390,645.40
	307,000.00	73,200.00	10,445.40	0.00	390,645.40

2026	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 390,645.40	\$ 6,100.00	\$ 984.24	\$ 0.00	\$ 397,729.64
February	397,729.64	6,100.00	1,001.95	0.00	404,831.59
March	404,831.59	6,100.00	1,019.70	0.00	411,951.29
April	411,951.29	6,100.00	1,037.50	0.00	419,088.79
May	419,088.79	6,100.00	1,055.35	0.00	426,244.14
June	426,244.14	6,100.00	1,073.24	0.00	433,417.38
July	433,417.38	6,100.00	979.48	89,352.16	351,144.70
August	351,144.70	6,100.00	885.49	0.00	358,130.19
September	358,130.19	6,100.00	902.95	0.00	365,133.14
October	365,133.14	6,100.00	920.46	0.00	372,153.60
November	372,153.60	6,100.00	938.01	0.00	379,191.61
December	379,191.61	6,100.00	955.60	0.00	386,247.21
	390,645.40	73,200.00	11,753.97	89,352.16	386,247.21

2027	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 386,247.21	\$ 6,100.00	\$ 973.24	\$ 0.00	\$ 393,320.45
February	393,320.45	6,100.00	990.93	0.00	400,411.38
March	400,411.38	6,100.00	1,008.65	0.00	407,520.03
April	407,520.03	6,100.00	1,026.43	0.00	414,646.46
May	414,646.46	6,100.00	1,044.24	0.00	421,790.70
June	421,790.70	6,100.00	1,062.10	0.00	428,952.80
July	428,952.80	6,100.00	1,080.01	0.00	436,132.81
August	436,132.81	6,100.00	1,097.96	0.00	443,330.77
September	443,330.77	6,100.00	1,115.95	0.00	450,546.72
October	450,546.72	6,100.00	1,133.99	0.00	457,780.71
November	457,780.71	6,100.00	1,152.08	0.00	465,032.79
December	465,032.79	6,100.00	1,170.21	0.00	472,303.00
	386,247.21	73,200.00	12,855.79	0.00	472,303.00

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2028	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 472,303.00	\$ 6,100.00	\$ 1,188.38	\$ 0.00	\$ 479,591.38
February	479,591.38	6,100.00	1,206.60	0.00	486,897.98
March	486,897.98	6,100.00	1,224.87	0.00	494,222.85
April	494,222.85	6,100.00	1,243.18	0.00	501,566.03
May	501,566.03	6,100.00	1,261.54	0.00	508,927.57
June	508,927.57	6,100.00	1,279.94	0.00	516,307.51
July	516,307.51	6,100.00	1,277.19	16,960.00	506,724.70
August	506,724.70	6,100.00	1,274.44	0.00	514,099.14
September	514,099.14	6,100.00	1,292.87	0.00	521,492.01
October	521,492.01	6,100.00	1,311.36	0.00	528,903.37
November	528,903.37	6,100.00	1,329.88	0.00	536,333.25
December	536,333.25	6,100.00	1,348.46	0.00	543,781.71
	472,303.00	73,200.00	15,238.71	16,960.00	543,781.71

2029	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 543,781.71	\$ 6,100.00	\$ 1,367.08	\$ 0.00	\$ 551,248.79
February	551,248.79	6,100.00	1,385.75	0.00	558,734.54
March	558,734.54	6,100.00	1,404.46	0.00	566,239.00
April	566,239.00	6,100.00	1,423.22	0.00	573,762.22
May	573,762.22	6,100.00	1,442.03	0.00	581,304.25
June	581,304.25	6,100.00	1,460.89	0.00	588,865.14
July	588,865.14	6,100.00	1,479.79	0.00	596,444.93
August	596,444.93	6,100.00	1,498.74	0.00	604,043.67
September	604,043.67	6,100.00	1,517.73	0.00	611,661.40
October	611,661.40	6,100.00	1,536.78	0.00	619,298.18
November	619,298.18	6,100.00	1,555.87	0.00	626,954.05
December	626,954.05	6,100.00	1,575.01	0.00	634,629.06
	543,781.71	73,200.00	17,647.35	0.00	634,629.06

2030	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 634,629.06	\$ 6,100.00	\$ 1,594.20	\$ 0.00	\$ 642,323.26
February	642,323.26	6,100.00	1,613.43	0.00	650,036.69
March	650,036.69	6,100.00	1,632.72	0.00	657,769.41
April	657,769.41	6,100.00	1,652.05	0.00	665,521.46
May	665,521.46	6,100.00	1,671.43	0.00	673,292.89
June	673,292.89	6,100.00	1,652.18	30,940.00	650,105.07
July	650,105.07	6,100.00	1,551.02	65,490.43	592,265.66
August	592,265.66	6,100.00	1,488.29	0.00	599,853.95
September	599,853.95	6,100.00	1,507.26	0.00	607,461.21
October	607,461.21	6,100.00	1,526.28	0.00	615,087.49
November	615,087.49	6,100.00	1,545.34	0.00	622,732.83
December	622,732.83	6,100.00	1,564.46	0.00	630,397.29
	634,629.06	73,200.00	18,998.66	96,430.43	630,397.29

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2031	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 630,397.29	\$ 6,100.00	\$ 1,583.62	\$ 0.00	\$ 638,080.91
February	638,080.91	6,100.00	1,602.83	0.00	645,783.74
March	645,783.74	6,100.00	1,622.08	0.00	653,505.82
April	653,505.82	6,100.00	1,641.39	0.00	661,247.21
May	661,247.21	6,100.00	1,660.74	0.00	669,007.95
June	669,007.95	6,100.00	1,680.14	0.00	676,788.09
July	676,788.09	6,100.00	1,682.77	13,457.58	671,113.28
August	671,113.28	6,100.00	1,685.41	0.00	678,898.69
September	678,898.69	6,100.00	1,704.87	0.00	686,703.56
October	686,703.56	6,100.00	1,724.38	0.00	694,527.94
November	694,527.94	6,100.00	1,743.94	0.00	702,371.88
December	702,371.88	6,100.00	1,763.55	0.00	710,235.43
	630,397.29	73,200.00	20,095.72	13,457.58	710,235.43

2032	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 710,235.43	\$ 6,100.00	\$ 1,783.21	\$ 0.00	\$ 718,118.64
February	718,118.64	6,100.00	1,802.92	0.00	726,021.56
March	726,021.56	6,100.00	1,822.68	0.00	733,944.24
April	733,944.24	6,100.00	1,842.49	0.00	741,886.73
May	741,886.73	6,100.00	1,862.34	0.00	749,849.07
June	749,849.07	6,100.00	1,882.25	0.00	757,831.32
July	757,831.32	6,100.00	1,902.20	0.00	765,833.52
August	765,833.52	6,100.00	1,922.21	0.00	773,855.73
September	773,855.73	6,100.00	1,942.26	0.00	781,897.99
October	781,897.99	6,100.00	1,962.37	0.00	789,960.36
November	789,960.36	6,100.00	1,982.53	0.00	798,042.89
December	798,042.89	6,100.00	2,002.73	0.00	806,145.62
	710,235.43	73,200.00	22,710.19	0.00	806,145.62

2033	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 806,145.62	\$ 6,100.00	\$ 2,022.99	\$ 0.00	\$ 814,268.61
February	814,268.61	6,100.00	2,043.30	0.00	822,411.91
March	822,411.91	6,100.00	2,048.40	12,200.00	818,360.31
April	818,360.31	6,100.00	2,053.53	0.00	826,513.84
May	826,513.84	6,100.00	2,073.91	0.00	834,687.75
June	834,687.75	6,100.00	2,085.30	7,237.86	835,635.19
July	835,635.19	6,100.00	2,096.71	0.00	843,831.90
August	843,831.90	6,100.00	2,117.20	0.00	852,049.10
September	852,049.10	6,100.00	2,137.75	0.00	860,286.85
October	860,286.85	6,100.00	2,158.34	0.00	868,545.19
November	868,545.19	6,100.00	2,178.99	0.00	876,824.18
December	876,824.18	6,100.00	2,199.69	0.00	885,123.87
	806,145.62	73,200.00	25,216.11	19,437.86	885,123.87

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2034	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 885,123.87	\$ 6,100.00	\$ 2,220.43	\$ 0.00	\$ 893,444.30
February	893,444.30	6,100.00	2,241.24	0.00	901,785.54
March	901,785.54	6,100.00	2,262.09	0.00	910,147.63
April	910,147.63	6,100.00	2,282.99	0.00	918,530.62
May	918,530.62	6,100.00	2,303.95	0.00	926,934.57
June	926,934.57	6,100.00	2,324.96	0.00	935,359.53
July	935,359.53	6,100.00	1,956.40	311,700.54	631,715.39
August	631,715.39	6,100.00	1,586.91	0.00	639,402.30
September	639,402.30	6,100.00	1,606.13	0.00	647,108.43
October	647,108.43	6,100.00	1,625.40	0.00	654,833.83
November	654,833.83	6,100.00	1,644.71	0.00	662,578.54
December	662,578.54	6,100.00	1,664.07	0.00	670,342.61
	885,123.87	73,200.00	23,719.28	311,700.54	670,342.61

2035	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 670,342.61	\$ 6,100.00	\$ 1,683.48	\$ 0.00	\$ 678,126.09
February	678,126.09	6,100.00	1,702.94	0.00	685,929.03
March	685,929.03	6,100.00	1,722.45	0.00	693,751.48
April	693,751.48	6,100.00	1,742.00	0.00	701,593.48
May	701,593.48	6,100.00	1,761.61	0.00	709,455.09
June	709,455.09	6,100.00	1,781.26	0.00	717,336.35
July	717,336.35	6,100.00	1,788.47	10,000.00	715,224.82
August	715,224.82	6,100.00	1,795.69	0.00	723,120.51
September	723,120.51	6,100.00	1,815.43	0.00	731,035.94
October	731,035.94	6,100.00	1,835.21	0.00	738,971.15
November	738,971.15	6,100.00	1,855.05	0.00	746,926.20
December	746,926.20	6,100.00	1,874.94	0.00	754,901.14
	670,342.61	73,200.00	21,358.53	10,000.00	754,901.14

2036	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 754,901.14	\$ 6,100.00	\$ 1,894.88	\$ 0.00	\$ 762,896.02
February	762,896.02	6,100.00	1,914.87	0.00	770,910.89
March	770,910.89	6,100.00	1,934.90	0.00	778,945.79
April	778,945.79	6,100.00	1,954.99	0.00	787,000.78
May	787,000.78	6,100.00	1,975.13	0.00	795,075.91
June	795,075.91	6,100.00	1,995.31	0.00	803,171.22
July	803,171.22	6,100.00	1,935.80	63,801.96	747,405.06
August	747,405.06	6,100.00	1,876.14	0.00	755,381.20
September	755,381.20	6,100.00	1,896.08	0.00	763,377.28
October	763,377.28	6,100.00	1,916.07	0.00	771,393.35
November	771,393.35	6,100.00	1,936.11	0.00	779,429.46
December	779,429.46	6,100.00	1,956.20	0.00	787,485.66
	754,901.14	73,200.00	23,186.48	63,801.96	787,485.66

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2037	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 787,485.66	\$ 6,100.00	\$ 1,976.34	\$ 0.00	\$ 795,562.00
February	795,562.00	6,100.00	1,996.53	0.00	803,658.53
March	803,658.53	6,100.00	2,016.77	0.00	811,775.30
April	811,775.30	6,100.00	2,037.06	0.00	819,912.36
May	819,912.36	6,100.00	2,057.41	0.00	828,069.77
June	828,069.77	6,100.00	2,049.87	22,345.76	813,873.88
July	813,873.88	6,100.00	1,854.43	150,304.50	671,523.81
August	671,523.81	6,100.00	1,686.43	0.00	679,310.24
September	679,310.24	6,100.00	1,705.90	0.00	687,116.14
October	687,116.14	6,100.00	1,725.42	0.00	694,941.56
November	694,941.56	6,100.00	1,744.98	0.00	702,786.54
December	702,786.54	6,100.00	1,764.59	0.00	710,651.13
	787,485.66	73,200.00	22,615.73	172,650.26	710,651.13

2038	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 710,651.13	\$ 6,100.00	\$ 1,784.25	\$ 0.00	\$ 718,535.38
February	718,535.38	6,100.00	1,803.96	0.00	726,439.34
March	726,439.34	6,100.00	1,823.72	0.00	734,363.06
April	734,363.06	6,100.00	1,843.53	0.00	742,306.59
May	742,306.59	6,100.00	1,863.39	0.00	750,269.98
June	750,269.98	6,100.00	1,883.30	0.00	758,253.28
July	758,253.28	6,100.00	1,824.66	62,877.50	703,300.44
August	703,300.44	6,100.00	1,765.88	0.00	711,166.32
September	711,166.32	6,100.00	1,785.54	0.00	719,051.86
October	719,051.86	6,100.00	1,805.25	0.00	726,957.11
November	726,957.11	6,100.00	1,825.02	0.00	734,882.13
December	734,882.13	6,100.00	1,844.83	0.00	742,826.96
	710,651.13	73,200.00	21,853.33	62,877.50	742,826.96

2039	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 742,826.96	\$ 6,100.00	\$ 1,864.69	\$ 0.00	\$ 750,791.65
February	750,791.65	6,100.00	1,884.60	0.00	758,776.25
March	758,776.25	6,100.00	1,904.57	0.00	766,780.82
April	766,780.82	6,100.00	1,924.58	0.00	774,805.40
May	774,805.40	6,100.00	1,944.64	0.00	782,850.04
June	782,850.04	6,100.00	1,964.75	0.00	790,914.79
July	790,914.79	6,100.00	1,984.91	0.00	798,999.70
August	798,999.70	6,100.00	2,005.12	0.00	807,104.82
September	807,104.82	6,100.00	2,025.39	0.00	815,230.21
October	815,230.21	6,100.00	2,045.70	0.00	823,375.91
November	823,375.91	6,100.00	2,066.06	0.00	831,541.97
December	831,541.97	6,100.00	2,086.48	0.00	839,728.45
	742,826.96	73,200.00	23,701.49	0.00	839,728.45

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2040	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 839,728.45	\$ 6,100.00	\$ 2,106.95	\$ 0.00	\$ 847,935.40
February	847,935.40	6,100.00	2,127.46	0.00	856,162.86
March	856,162.86	6,100.00	2,148.03	0.00	864,410.89
April	864,410.89	6,100.00	2,168.65	0.00	872,679.54
May	872,679.54	6,100.00	2,189.32	0.00	880,968.86
June	880,968.86	6,100.00	2,210.05	0.00	889,278.91
July	889,278.91	6,100.00	2,195.28	28,430.40	869,143.79
August	869,143.79	6,100.00	2,180.48	0.00	877,424.27
September	877,424.27	6,100.00	2,201.19	0.00	885,725.46
October	885,725.46	6,100.00	2,221.94	0.00	894,047.40
November	894,047.40	6,100.00	2,242.74	0.00	902,390.14
December	902,390.14	6,100.00	2,263.60	0.00	910,753.74
	839,728.45	73,200.00	26,255.69	28,430.40	910,753.74

2041	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 910,753.74	\$ 6,100.00	\$ 2,284.51	\$ 0.00	\$ 919,138.25
February	919,138.25	6,100.00	2,305.47	0.00	927,543.72
March	927,543.72	6,100.00	2,326.48	0.00	935,970.20
April	935,970.20	6,100.00	2,347.55	0.00	944,417.75
May	944,417.75	6,100.00	2,368.67	0.00	952,886.42
June	952,886.42	6,100.00	2,389.84	0.00	961,376.26
July	961,376.26	6,100.00	2,411.07	0.00	969,887.33
August	969,887.33	6,100.00	2,432.34	0.00	978,419.67
September	978,419.67	6,100.00	2,453.67	0.00	986,973.34
October	986,973.34	6,100.00	2,475.06	0.00	995,548.40
November	995,548.40	6,100.00	2,496.50	0.00	1,004,144.90
December	1,004,144.90	6,100.00	2,517.99	0.00	1,012,762.89
	910,753.74	73,200.00	28,809.15	0.00	1,012,762.89

2042	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 1,012,762.89	\$ 6,100.00	\$ 2,539.53	\$ 0.00	\$ 1,021,402.42
February	1,021,402.42	6,100.00	2,561.13	0.00	1,030,063.55
March	1,030,063.55	6,100.00	2,582.78	0.00	1,038,746.33
April	1,038,746.33	6,100.00	2,604.49	0.00	1,047,450.82
May	1,047,450.82	6,100.00	2,626.25	0.00	1,056,177.07
June	1,056,177.07	6,100.00	2,648.07	0.00	1,064,925.14
July	1,064,925.14	6,100.00	2,607.41	50,020.43	1,023,612.12
August	1,023,612.12	6,100.00	2,566.66	0.00	1,032,278.78
September	1,032,278.78	6,100.00	2,588.32	0.00	1,040,967.10
October	1,040,967.10	6,100.00	2,610.04	0.00	1,049,677.14
November	1,049,677.14	6,100.00	2,631.82	0.00	1,058,408.96
December	1,058,408.96	6,100.00	2,653.65	0.00	1,067,162.61
	1,012,762.89	73,200.00	31,220.15	50,020.43	1,067,162.61

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2043	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 1,067,162.61	\$ 6,100.00	\$ 2,675.53	\$ 0.00	\$ 1,075,938.14
February	1,075,938.14	6,100.00	2,697.47	0.00	1,084,735.61
March	1,084,735.61	6,100.00	2,704.21	12,200.00	1,081,339.82
April	1,081,339.82	6,100.00	2,710.97	0.00	1,090,150.79
May	1,090,150.79	6,100.00	2,733.00	0.00	1,098,983.79
June	1,098,983.79	6,100.00	2,746.04	7,237.86	1,100,591.97
July	1,100,591.97	6,100.00	1,950.70	646,724.00	461,918.67
August	461,918.67	6,100.00	1,162.42	0.00	469,181.09
September	469,181.09	6,100.00	1,180.58	0.00	476,461.67
October	476,461.67	6,100.00	1,198.78	0.00	483,760.45
November	483,760.45	6,100.00	1,217.03	0.00	491,077.48
December	491,077.48	6,100.00	1,235.32	0.00	498,412.80
	1,067,162.61	73,200.00	24,212.05	666,161.86	498,412.80

2044	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 498,412.80	\$ 6,100.00	\$ 1,253.66	\$ 0.00	\$ 505,766.46
February	505,766.46	6,100.00	1,272.04	0.00	513,138.50
March	513,138.50	6,100.00	1,290.47	0.00	520,528.97
April	520,528.97	6,100.00	1,308.95	0.00	527,937.92
May	527,937.92	6,100.00	1,327.47	0.00	535,365.39
June	535,365.39	6,100.00	1,346.04	0.00	542,811.43
July	542,811.43	6,100.00	1,356.45	6,560.00	543,707.88
August	543,707.88	6,100.00	1,366.89	0.00	551,174.77
September	551,174.77	6,100.00	1,385.56	0.00	558,660.33
October	558,660.33	6,100.00	1,404.28	0.00	566,164.61
November	566,164.61	6,100.00	1,423.04	0.00	573,687.65
December	573,687.65	6,100.00	1,441.84	0.00	581,229.49
	498,412.80	73,200.00	16,176.69	6,560.00	581,229.49

2045	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 581,229.49	\$ 6,100.00	\$ 1,460.70	\$ 0.00	\$ 588,790.19
February	588,790.19	6,100.00	1,479.60	0.00	596,369.79
March	596,369.79	6,100.00	1,498.55	0.00	603,968.34
April	603,968.34	6,100.00	1,517.55	0.00	611,585.89
May	611,585.89	6,100.00	1,536.59	0.00	619,222.48
June	619,222.48	6,100.00	1,555.68	0.00	626,878.16
July	626,878.16	6,100.00	1,574.82	0.00	634,552.98
August	634,552.98	6,100.00	1,594.01	0.00	642,246.99
September	642,246.99	6,100.00	1,613.24	0.00	649,960.23
October	649,960.23	6,100.00	1,632.53	0.00	657,692.76
November	657,692.76	6,100.00	1,651.86	0.00	665,444.62
December	665,444.62	6,100.00	1,671.24	0.00	673,215.86
	581,229.49	73,200.00	18,786.37	0.00	673,215.86

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2046	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 673,215.86	\$ 6,100.00	\$ 1,690.66	\$ 0.00	\$ 681,006.52
February	681,006.52	6,100.00	1,710.14	0.00	688,816.66
March	688,816.66	6,100.00	1,729.67	0.00	696,646.33
April	696,646.33	6,100.00	1,749.24	0.00	704,495.57
May	704,495.57	6,100.00	1,768.86	0.00	712,364.43
June	712,364.43	6,100.00	1,788.54	0.00	720,252.97
July	720,252.97	6,100.00	1,054.26	603,197.82	124,209.41
August	124,209.41	6,100.00	318.15	0.00	130,627.56
September	130,627.56	6,100.00	334.19	0.00	137,061.75
October	137,061.75	6,100.00	350.28	0.00	143,512.03
November	143,512.03	6,100.00	366.41	0.00	149,978.44
December	149,978.44	6,100.00	382.57	0.00	156,461.01
	673,215.86	73,200.00	13,242.97	603,197.82	156,461.01

2047	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 156,461.01	\$ 6,100.00	\$ 398.78	\$ 0.00	\$ 162,959.79
February	162,959.79	6,100.00	415.02	0.00	169,474.81
March	169,474.81	6,100.00	431.31	0.00	176,006.12
April	176,006.12	6,100.00	447.64	0.00	182,553.76
May	182,553.76	6,100.00	464.01	0.00	189,117.77
June	189,117.77	6,100.00	480.42	0.00	195,698.19
July	195,698.19	6,100.00	484.37	10,000.00	192,282.56
August	192,282.56	6,100.00	488.33	0.00	198,870.89
September	198,870.89	6,100.00	504.80	0.00	205,475.69
October	205,475.69	6,100.00	521.31	0.00	212,097.00
November	212,097.00	6,100.00	537.87	0.00	218,734.87
December	218,734.87	6,100.00	554.46	0.00	225,389.33
	156,461.01	73,200.00	5,728.32	10,000.00	225,389.33

2048	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 225,389.33	\$ 6,100.00	\$ 571.10	\$ 0.00	\$ 232,060.43
February	232,060.43	6,100.00	587.78	0.00	238,748.21
March	238,748.21	6,100.00	604.50	0.00	245,452.71
April	245,452.71	6,100.00	621.26	0.00	252,173.97
May	252,173.97	6,100.00	638.06	0.00	258,912.03
June	258,912.03	6,100.00	654.91	0.00	265,666.94
July	265,666.94	6,100.00	658.79	10,400.00	262,025.73
August	262,025.73	6,100.00	662.69	0.00	268,788.42
September	268,788.42	6,100.00	679.60	0.00	275,568.02
October	275,568.02	6,100.00	696.55	0.00	282,364.57
November	282,364.57	6,100.00	713.54	0.00	289,178.11
December	289,178.11	6,100.00	730.57	0.00	296,008.68
	225,389.33	73,200.00	7,819.35	10,400.00	296,008.68

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2049	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 296,008.68	\$ 6,100.00	\$ 747.65	\$ 0.00	\$ 302,856.33
February	302,856.33	6,100.00	764.77	0.00	309,721.10
March	309,721.10	6,100.00	781.93	0.00	316,603.03
April	316,603.03	6,100.00	799.13	0.00	323,502.16
May	323,502.16	6,100.00	758.37	46,410.00	283,950.53
June	283,950.53	6,100.00	717.50	0.00	290,768.03
July	290,768.03	6,100.00	717.72	13,457.58	284,128.17
August	284,128.17	6,100.00	717.95	0.00	290,946.12
September	290,946.12	6,100.00	734.99	0.00	297,781.11
October	297,781.11	6,100.00	752.08	0.00	304,633.19
November	304,633.19	6,100.00	769.21	0.00	311,502.40
December	311,502.40	6,100.00	786.38	0.00	318,388.78
	296,008.68	73,200.00	9,047.68	59,867.58	318,388.78

2050	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 318,388.78	\$ 6,100.00	\$ 803.60	\$ 0.00	\$ 325,292.38
February	325,292.38	6,100.00	820.86	0.00	332,213.24
March	332,213.24	6,100.00	838.16	0.00	339,151.40
April	339,151.40	6,100.00	855.50	0.00	346,106.90
May	346,106.90	6,100.00	872.89	0.00	353,079.79
June	353,079.79	6,100.00	890.32	0.00	360,070.11
July	360,070.11	6,100.00	842.20	52,477.50	314,534.81
August	314,534.81	6,100.00	793.96	0.00	321,428.77
September	321,428.77	6,100.00	811.20	0.00	328,339.97
October	328,339.97	6,100.00	828.47	0.00	335,268.44
November	335,268.44	6,100.00	845.80	0.00	342,214.24
December	342,214.24	6,100.00	863.16	0.00	349,177.40
	318,388.78	73,200.00	10,066.12	52,477.50	349,177.40

2051	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 349,177.40	\$ 6,100.00	\$ 880.57	\$ 0.00	\$ 356,157.97
February	356,157.97	6,100.00	898.02	0.00	363,155.99
March	363,155.99	6,100.00	915.51	0.00	370,171.50
April	370,171.50	6,100.00	933.05	0.00	377,204.55
May	377,204.55	6,100.00	950.64	0.00	384,255.19
June	384,255.19	6,100.00	953.01	12,200.00	379,108.20
July	379,108.20	6,100.00	924.59	24,647.50	361,485.29
August	361,485.29	6,100.00	911.34	0.00	368,496.63
September	368,496.63	6,100.00	928.87	0.00	375,525.50
October	375,525.50	6,100.00	946.44	0.00	382,571.94
November	382,571.94	6,100.00	964.05	0.00	389,635.99
December	389,635.99	6,100.00	981.71	0.00	396,717.70
	349,177.40	73,200.00	11,187.80	36,847.50	396,717.70

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:3.00% Contribution Factor:0.00% Calc:Current

Cash Flow - Monthly

2052	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 396,717.70	\$ 6,100.00	\$ 999.42	\$ 0.00	\$ 403,817.12
February	403,817.12	6,100.00	1,017.17	0.00	410,934.29
March	410,934.29	6,100.00	1,034.96	0.00	418,069.25
April	418,069.25	6,100.00	1,052.80	0.00	425,222.05
May	425,222.05	6,100.00	1,070.68	0.00	432,392.73
June	432,392.73	6,100.00	1,088.61	0.00	439,581.34
July	439,581.34	6,100.00	1,098.38	6,560.00	440,219.72
August	440,219.72	6,100.00	1,108.17	0.00	447,427.89
September	447,427.89	6,100.00	1,126.19	0.00	454,654.08
October	454,654.08	6,100.00	1,144.26	0.00	461,898.34
November	461,898.34	6,100.00	1,162.37	0.00	469,160.71
December	469,160.71	6,100.00	1,180.53	0.00	476,441.24
	396,717.70	73,200.00	13,083.54	6,560.00	476,441.24

2053	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 476,441.24	\$ 6,100.00	\$ 1,198.73	\$ 0.00	\$ 483,739.97
February	483,739.97	6,100.00	1,216.97	0.00	491,056.94
March	491,056.94	6,100.00	1,220.02	12,200.00	486,176.96
April	486,176.96	6,100.00	1,223.07	0.00	493,500.03
May	493,500.03	6,100.00	1,241.38	0.00	500,841.41
June	500,841.41	6,100.00	1,250.68	7,237.86	500,954.23
July	500,954.23	6,100.00	1,260.01	0.00	508,314.24
August	508,314.24	6,100.00	1,278.41	0.00	515,692.65
September	515,692.65	6,100.00	1,296.86	0.00	523,089.51
October	523,089.51	6,100.00	1,315.35	0.00	530,504.86
November	530,504.86	6,100.00	1,333.89	0.00	537,938.75
December	537,938.75	6,100.00	1,338.29	11,345.30	534,031.74
	476,441.24	73,200.00	15,173.66	30,783.16	534,031.74

2054	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	\$ 534,031.74	\$ 6,100.00	\$ 1,342.70	\$ 0.00	\$ 541,474.44
February	541,474.44	6,100.00	1,361.31	0.00	548,935.75
March	548,935.75	6,100.00	1,379.96	0.00	556,415.71
April	556,415.71	6,100.00	1,398.66	0.00	563,914.37
May	563,914.37	6,100.00	1,417.41	0.00	571,431.78
June	571,431.78	6,100.00	1,436.20	0.00	578,967.98
July	578,967.98	6,100.00	1,392.52	50,020.43	536,440.07
August	536,440.07	6,100.00	1,348.73	0.00	543,888.80
September	543,888.80	6,100.00	1,367.35	0.00	551,356.15
October	551,356.15	6,100.00	1,386.02	0.00	558,842.17
November	558,842.17	6,100.00	1,404.73	0.00	566,346.90
December	566,346.90	6,100.00	1,423.49	0.00	573,870.39
	534,031.74	73,200.00	16,659.08	50,020.43	573,870.39

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

Supplementary Information on Future Major Repairs and Replacements

	Estimated Remaining Useful Lives Life YY:MM	Estimated Current Replacement Cost	2025 Funding Requirement	Components of Fund Balance at 12/31/2024
Building Exteriors				
Railings, Glass	18:06	\$ 21,728	\$ 745	\$ 1,959
Railings/Handrails	18:06	624,996	17,859	83,068
		646,724	18,604	85,027
Common Area Interiors				
Elevator Cab Interiors- *Provision	5:05 -24:04	\$ 92,820	\$ 3,012	\$ 13,392
Furn./Finishes, Guardhouse Interior	12:05	10,146	348	1,771
		102,966	3,360	15,163
Mechanical/Electrical				
Elevator Modernization, Hydraulic	21:06	\$ 590,971	\$ 16,887	\$ 58,055
		590,971	16,887	58,055
Mechanical/HVAC				
Elevator HVAC, Mini-Split System	3:06 - 8:05	\$ 15,600	\$ 1,337	\$ 2,629
		15,600	1,337	2,629
Pavement				
Pavers, Parking/Drives	12:06	\$ 150,305	\$ 5,154	\$ 26,057
		150,305	5,154	26,057

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

Supplementary Information on Future Major Repairs and Replacements

	Estimated Remaining Useful Lives Life YY:MM	Estimated Current Replacement Cost	2025 Funding Requirement	Components of Fund Balance at 12/31/2024
Pool & Spa				
Interior Renovations, Restrooms	1:06	\$ 8,300	\$ 593	\$ 2,518
Pool & Spa Equipment Allowance	10:06	10,000	714	433
Pool & Spa Interiors	1:06	22,478	1,606	6,819
Pool Deck Pavers	1:06	16,348	1,168	4,960
Pool Furniture Allowance	5:06	50,020	3,573	9,394
Pool Heaters, Geothermal	1:06	30,000	2,143	9,101
		137,146	9,797	33,225
Roofs				
Roofing, Metal	28:11	\$ 11,345	\$ 324	\$ 142
		11,345	324	142
Security				
Enter-phone Access Control	1:06 - 8:05	\$ 14,265	\$ 1,048	\$ 3,821
Gate Motors, Swing	3:06	6,560	703	1,279
Gates, Swing, Entry/Exit	6:06	13,458	641	2,981
Security, Video Surveillance- *Provision	8:02	12,200	1,046	775
		46,483	3,438	8,856
Site Improvements				
Composite Decking -Trex	11:06 -15:06	\$ 73,445	\$ 2,862	\$ 10,361
Docks Restoration	9:06	311,701	10,688	67,005
Site Lighting, Docks- *Provision	12:05	12,200	747	478
		397,346	14,297	77,844

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

Supplementary Information
on Future Major Repairs and Replacements

	Estimated Remaining Useful Lives Life YY:MM	Estimated Current Replacement Cost	2025 Funding Requirement	Components of Fund Balance at 12/31/2024
		2,098,886	73,198	306,998

Ardissone Condominium Association, Inc.

Analysis Date - January 1, 2025

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

Reserve Disclosures

Category	Current Cost	Useful Life YY:MM	Remaining Life YY:MM	Reserve Balance	Unfunded Balance	2025 Funding Required	Reserve Allocation 12/31/2025
Building Exteriors	\$ 646,724	25:00 -30:00	18:06	\$ 85,027	\$ 561,697	\$ 18,604	\$ 96,609
Common Area Interiors	102,966	25:00 -28:00	5:05 -24:04	15,163	87,803	3,360	17,489
Mechanical	0	0:00	0:00	0	0	0	0
Mechanical/Electrical	590,971	30:00	21:06	58,055	532,916	16,887	87,750
Mechanical/HVAC	15,600	10:00	3:06 - 8:05	2,629	12,971	1,337	6,958
Pavement	150,305	25:00	12:06	26,057	124,248	5,154	26,766
Pool & Spa	137,145	12:00	1:06 -10:06	33,225	103,920	9,797	50,871
Roofs	11,345	30:00	28:11	142	11,203	324	1,711
Seawall	0	0:00	0:00	0	0	0	0
Security	46,483	8:00 -18:00	1:06 - 8:05	8,856	37,627	3,438	17,831
Site Improvements	397,346	14:00 -25:00	9:06 -15:06	77,844	319,502	14,297	74,253
	<u>2,098,885</u>			<u>307,000</u>	<u>1,791,887</u>	<u>73,198</u>	<u>380,238</u>

ADDENDUM

Chapter 718 & 719 Florida Statutes
The Condominium Act, 1995
The Cooperative Act, 1997

CONDOMINIUMS 718.112 (2)(f) 2 & 3
COOPERATIVES 719.106 (1)(j) 2 & 3

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

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

Florida Administrative Code Reserve Requirements

61B-22.001 Definitions. For the purposes of this chapter, the following definitions shall apply:

(2) “Capital expenditure” means an expenditure of funds for the purchase of an asset whose life is greater than one year in length, or the replacement of an asset whose life is greater than one year in length, or the addition to an asset which extends the life of the previously existing asset for a period greater than one year.

(3) “Deferred maintenance” means any maintenance or repair that will be performed less frequently than yearly and will result in maintaining the life of an asset; and

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

61B-22.003 Budgets. Required elements for estimated operating budgets. The budget for each association shall:

- (d) Include all estimated common expenses or expenditures of the association including the categories set forth in section 718.504(20)(c), Florida Statutes. Reserves for capital expenditures and deferred maintenance required by section 718.112(2)(f), Florida Statutes, must be included in the proposed annual budget and shall not be waived or reduced prior to the mailing to unit owners of a proposed annual budget. If the estimated common expense for any category set forth in the statute is not applicable, the category shall be listed followed by an indication that the expense is not applicable;
- (e) Include a schedule stating each reserve account for capital expenditures and deferred maintenance as a separate line item with the following minimum disclosures;
 - 1. The total estimated useful life of the asset;
 - 2. The estimated remaining useful life of the asset;
 - 3. The estimated replacement cost or deferred maintenance expense of the asset;
 - 4. The estimated fund balance as of the beginning of the period for which the budget will be in effect; and,
 - 5. The developer’s total funding obligation, when all units are sold, for each converter reserve account established pursuant to section 718.618, Florida Statutes, if applicable.
- (f) Include a separate schedule of any other reserve funds to be restricted by the association as a separate line item with the following minimum disclosures;
 - 1. The intended use of the restricted funds; and
 - 2. The estimated fund balance of the item as of the beginning of the period for which the budget will be in effect.
- (g) “Contingency reserves” and any other categories of expense which are not restricted as to use shall be stated in the operating portion of the budget rather than the reserve portion of the budget.

61B-22.005 Reserves. Reserves required by statute. Reserves required by section 718.112(2)(f), Florida Statutes, for capital expenditures and deferred maintenance including roofing, painting, paving, and any other item for which the deferred maintenance expense or replacement cost of an item exceeds \$10,000 shall be included in the budget. For the purpose of determining whether the deferred maintenance expense or replacement cost of an item exceeds \$10,000, the association may consider each asset of the association separately. Alternatively, the replacement cost of an item exceeds \$10,000, the association may group similar or related assets together. For example, an association responsible for the maintenance of two swimming pools, each of which will separately require \$6,000 of total deferred maintenance, may establish a pool reserve, but is not required to do so.

61B-22.0051 Estimating Reserve Requirements.

- (1) Formula for calculation of reserves required by statute. Reserves for deferred maintenance and capital expenditures required by section 718.112(2)(f), Florida Statutes, shall be calculated using a formula which will provide funds equal to the total estimated deferred maintenance expense or total estimated replacement cost for an asset over the remaining useful life of the asset. The formula shall provide funds in annual increments and may be adjusted each year for changes in estimates. The formula may consider such factors as inflation and interest or other earnings rates, but must include the following:
 - (a) The estimated remaining useful life of the asset;
 - (b) The estimated deferred maintenance expense or estimated replacement cost of the asset; and,
 - (c) The estimated fund balance of the reserve account as of the beginning of the period for which the budget will be in effect.
- (2) Estimating reserves which are not required by statute. Reserves which are not required by section 718.112(2)(f), Florida Statutes, are not required to be based on any specific formula.
- (3) Estimating reserves when the developer is funding converted reserves. For the purpose of estimating non-converter reserves the estimated fund balance of the non-converter reserve account related to any asset for which the developer has established converter reserves pursuant to section 718.618, Florida Statutes, shall be the sum of:
 - (a) The developer's total funding obligation, when all units are sold, for the converter reserve account pursuant to section 718.618, Florida Statutes,; and,
 - (b) The estimated fund balance of the non-converter reserve account, excluding the developer's converter obligation, as of the beginning of the period for which the budget will be in effect.

61B-22.0052 Funding Requirements and Restrictions on Use.

- (1) Timely funding. Reserves included in the adopted budget are common expenses and must be fully funded unless properly waived or reduced. Reserves shall be funded in at least the same frequency that assessments are due from the unit owners (e.g., monthly or quarterly).
- (2) Restrictions on use. Reserves required by section 718.112(2)(f), Florida Statutes, and other reserves included on the adopted budget, shall only be used for the purposes for

which they were intended unless their use for other purposes is approved in advance by the unit owners according to section 718.112(2)(f)3, Florida Statutes. In a multi-condominium association, the same procedures which are specified for the waiving or reduction of reserves shall apply where an association seeks to use reserve funds for purposes other than which the funds were originally reserved. Expenditure of unallocated interest income earned on reserve funds is restricted to any of the capital expenditures, deferred maintenance or other items for which reserve accounts have been established.

61B-22.0053 Waiver of Reserves.

- (1) Annual vote required to waive reserves. Any vote to waive or reduce reserves for capital expenditures and deferred maintenance required by section 718.112(2)(f)2, Florida Statutes, shall be effective for only one annual budget, and the vote must be taken annually. Additionally, in a multi-condominium association, no waiver or reduction is effective as to a particular condominium unless conducted at a meeting at which a majority of the voting interests in that condominium are present, in person or by proxy, and a majority of those present in person or by limited proxy vote to waive or reduce reserves.
- (2) Developer voting restrictions. Prior to turnover, the developer may cast votes to waive or reduce reserves during the first two fiscal years only, beginning with the date of the recording of the declaration. In the case of a multi-condominium association, this restriction applies to the association's first two fiscal years beginning with the recording of the initial declaration.

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2. 61B-22.006 Financial Reporting Requirements.

- (3) Disclosure requirements. The financial statements required by sections 718.111(14) and 718.301(4), Florida Statutes, shall contain the following disclosures within the financial statements, notes, or supplementary information:
 - (a) The following reserve disclosures shall be made regardless of whether reserves have been waived for the fiscal period covered by the financial statements:
 1. The beginning balance in each reserve account as of the beginning of the fiscal period covered by the financial statements;
 2. The amount of assessments and other additions to each reserve account, including authorized transfers from other reserve accounts;
 3. The amount expended or removed from each reserve account, including authorized transfers to other reserve accounts;
 4. The ending balance in each reserve account as of the end of the fiscal period covered by the financial statements;
 5. The manner by which reserve items were estimated, the date the estimates were last made, the association's policies for allocating reserve fund interest, and whether reserves have been waived during the period covered by the financial statements; and,
 6. If the developer has established converter reserves pursuant to section 718.618(1), Florida Statutes, each converter reserve account shall be identified and include the disclosures required by this rule.

Chapter 61B – 22, Florida Administrative Code

Summary of Rule Amendments

61B-22.003 Budgets

- Recognizes the use of a pooled account for reserves and provides that a schedule showing each reserve account is not necessary if a pooled account for reserves is used.
- Provides an alternate disclosure method for the use of a pooled account for reserves.

61B-22.005 Reserves

- Recognizes the concept of funding a group of assets using a pooled analysis of two or more required assets and provides requirements and direction related to the pooled account method.
- Clarifies that the chosen reserve funding formula shall not include any type of balloon payment.

Amended Rule Text

61B – 22.003 Budgets

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

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

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

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

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

61B – 22.005 Reserves

- 1) Reserves required by statute. Reserves required by Section 718.112(2)(f), Florida Statutes, for capital expenditures and deferred maintenance including roofing, painting, paving, and any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000 shall be included in the budget. For the purpose of determining whether the deferred maintenance expense or replacement cost of an item exceeds \$10,000, the association may consider each asset of the association separately. Alternatively, the association may group similar or related assets together. For example, an association responsible for the maintenance of two swimming pools,

each of which will separately require \$6,000 of total deferred maintenance, may establish a pool reserve, but it is not required to do so.

- 2) Commingling operating and reserve funds. Associations that collect operating and reserve assessments as a single payment shall not be considered to have commingled the funds provided the reserve portion of the payment is transferred to a separate reserve account, or accounts, within 30 calendar days from the date such funds were deposited.
- 3) Calculating reserves required by statute. Reserves for deferred maintenance and capital expenditures required by Section 718.112(2)(f), Florida Statutes, shall be calculated using a formula that will provide funds equal to the total estimated deferred maintenance expense or total estimated replacement cost of an asset or group of assets over the remaining useful life of the asset or group of assets. Funding formulas for reserves required by Section 718.112(2)(f), Florida Statutes, shall be based on either a separate analysis of each of the required assets or a pooled analysis of two or more of the required assets.
 - (a) If the association maintains separate reserve accounts for each of the required assets, the amount of the current year contribution to each reserve account shall be the sum of the following two calculations:
 1. The total amount necessary, if any, to bring a negative account balance to \$0; and
 2. The total estimated deferred maintenance expense or estimated replacement cost of the reserve asset less the estimated balance of the reserve account as of the beginning of the period for which the budget will be in effect. The remainder, if greater than zero, shall be divided by the estimated remaining useful life of the asset. The formula may be adjusted each year for changes in estimates and deferred maintenance performed during the year and may consider factors such as inflation and earnings on invested funds.
 - (b) If the association maintains a pooled account of two or more of the required reserve assets, the amount of contribution to the pooled reserve account as disclosed on the proposed budget shall be not less than that required to ensure that the balance on hand at the beginning of the period for which the budget will go into effect plus the projected annual cash inflows over the remaining estimated useful lives of all of the assets that make up the reserve pool are equal to or greater than the projected annual cash outflows over the remaining estimated useful lives of all of the assets that make up the reserve pool, based on the current reserve analysis. The projected annual cash inflows may include estimated earnings from investment of principal. The reserve funding formula shall not include any type of balloon payment.

TERMS AND DEFINITIONS

ACCRUED FUND BALANCE (AFB): Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve balance can be compared. The Reserve balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This number is calculated for each component, then summed together for an association tool. 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.

$$\text{AFB} = \text{Current Cost} \times \text{Effective Age/Useful Life}$$

or

$$\text{AFB} = (\text{Current Cost} \times \text{Effective Age/Useful Life}) + [(\text{Current Cost} \times \text{Effective Age/Useful Life}) / (1 + \text{Interest Rate}) ^ \text{Remaining Life}] - [(\text{Current Cost} \times \text{Effective Age/Useful Life}) / (1 + \text{Inflation Rate}) ^ \text{Remaining Life}]$$

CASH FLOW METHOD: A method of calculating 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. “Because we use the cash flow method, we compute individual line item contributions after the total contribution rate has been established.” See “Component Method”.

CAPITAL EXPENDITURES: A capital expenditure means any expenditure of funds for: (1) the purchase or replacement of an asset whose useful life is greater than one year, or (2) the addition to an asset that extends the useful life of the previously existing asset for a period greater than one year.

COMPONENT: The individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association responsibility, 2) with limited Useful Life expectancies, 3) predictable Remaining Useful Life expectancies, and 4) above a minimum threshold cost, and 5) as required by local codes. “We have 17 components in our 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 an on-site inspection, based on Level or Service selected by the client.

COMPONENT FULL FUNDING: When the actual (or projected) cumulative Reserve balance for all components is equal to the Fully Funded Balance.

COMPONENT INVENTORY: The task of selecting and quantifying Reserve Components. This task is accomplished through an on-site inspection, review of association design and organizational documents, and a review of established association precedents, and discussion with appropriate association representative(s).

COMPONENT METHOD: A method of developing a Reserve Funding Plan where the total contribution is based on the sum of contributions for individual components. “Since we calculate a Reserve contribution rate for each component and then sum them all together, we are using the component method to calculate our Reserve contributions.” See “Cash Flow Method”.

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

CURRENT REPLACEMENT COST: See “Replacement Cost”.

DEFERRED MAINTENANCE: Deferred maintenance means any maintenance or repair that: (1) will be performed less frequently than yearly, and (2) will result in maintaining the useful life of an asset.

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

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 current status of the Reserves (measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expense over time is presented. The Financial Analysis is one of the two parts of a Reserve Study.

FULLY FUNDED: When the budget is provided to the owners, it will show the amount of money that must be deposited that year for each reserve item to ensure that, when the time comes, sufficient funds will be available for deferred maintenance or a capital expenditure. (Definition published in “Budgets & Reserve Schedules Made Easy” training manual by the State of Florida Department of Business and Professional Regulations in January 1997).

FUND STATUS: The status of the reserve fund as compared to an established benchmark such as percent funding.

FUNDING PLAN: An association’s plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

FUNDING PRINCIPLES:

- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

FUNDING GOALS: Independent of methodology utilized, the following represent the basic categories of Funding Plan goals:

- **Baseline Funding** – Establishing a Reserve funding goal of keeping the Reserve cash balance above zero.
- **Component Full Funding** – Setting a Reserve funding goal of attaining and maintaining cumulative Reserves at or near 100%.

- **Statutory Funding** – Establishing a Reserve funding goal of setting aside the specific minimum amount of Reserves of component required by local statutes.
- **Threshold Funding** – Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than “Component Full Funding.”

LIFE AND VALUATION ESTIMATES: The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve Components.

PERCENT FUNDED: The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the *actual* (or *projected*) Reserve Balance to the accrued *Fund Balance*, expressed as a percentage. “With \$76,000 in Reserves, and since our 100% Funded Balance is \$100,000, our association is 76% Funded”.

Editor’s Note: since funds can typically be allocated from one component to another with ease, this parameter has no real meaning on an individual Component basis. The purpose of this parameter is to identify the relative strength or weakness of the entire Reserve fund as of a particular point in time. The value of this parameter is in providing a more stable measure of Reserve Fund strength, since cash in Reserves may mean very different things to different associations.

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.

REMAINING USEFUL LIFE (RUL): Also referred to as “Remaining Life” (RL). The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have “zero” Remaining Useful Life.

REPLACEMENT COST: The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during that particular year.

RESERVE BALANCE: Actual or projected funds as of a particular point in time that the association has identified for use to defray to the future repair or replacement of those major components which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves. Based on information provided and not audited

RESERVE PROVIDER: An individual that prepares Reserve Studies.

RESERVE STUDY: A budget planning tool which identifies 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. “Our budget and finance committee is soliciting proposals to update our Reserve Study for the next year’s budget.”

RESPONSIBLE CHARGE: A reserve specialist in responsible charge of a reserve study shall render regular and effective supervision to those individuals performing services which directly and materially affect the quality and competence rendered by the reserve specialist. A reserve specialist shall maintain

such records as are reasonably necessary to establish that the reserve specialist exercised regular and effective supervision of a reserve duty of which he was in responsible charge. A reserve specialist engaged in any of the following acts or practices shall be deemed not to have rendered the regular and effective supervision required herein:

1. The regular and continuous absence from principal office premises from which professional services are rendered; except for performance of field work or presence in a field office maintained exclusively for a specific project;
2. The failure to personally inspect or review the work of subordinates where necessary and appropriate;
3. The rendering of a limited, cursory or perfunctory review of plans or projects in lieu of an appropriate detailed review;
4. The failure to personally be available on a reasonable basis or with adequate advanced notice for consultation and inspection where circumstances require personal availability.

SPECIAL ASSESSMENT: An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by Governing Documents or local statutes. “Since we need a new roof and there wasn’t enough money in the Reserve fund, we had to pass a special assessment.”

SURPLUS: An actual (or projected) Reserve Balance greater than the Fully Funded Balances. See Deficit”.

USEFUL LIFE (UL): Total Useful Life or Depreciable Life. 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.