A RESERVE STUDY UPDATE FOR

The Royal St. Andrew Association, Inc.

Sarasota, Florida

File #22920-06156

FOR PERIOD: January 1, 2022 – December 31, 2022

PREPARED BY
SEDGWICK VALUATION SERVICES
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April 26, 2021

The Royal St. Andrew Association, Inc.
Attn: Mr. Randy Peachey, Manager
555 South Gulfstream Avenue
Sarasota, Florida 34236

Dear Mr. Peachey,

On May 22, 2015, we completed an on-site inspection of The Royal St. Andrew 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 November 10, 2015. A follow up on-site inspection was completed no May 8, 2019, for use in completion of an update reserve study report published on July 21, 2019. This reserve study report is an update of those previous reserve study reports, which were accepted as accurate and reliable by the association representatives. A Sedgwick Valuation Services representative did not re-inspect the common area reserve items for use in completion of this update reserve study report.

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 The Royal St. Andrew 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, it's 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 no 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 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 specialist utilized information taken from the original inspection and reserve study report. Financial data, including the estimated reserve fund balance as of the analysis date, and property histories, provided by you and gleaned from the association's approved fiscal year 2021 reserve budget, 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 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 specialist.

Respectfully submitted,
Sedgwick Valuation Services

Stephen F. Brubaker, RS #65
Reserve Specialist, Community Associations Institute

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PROJECT OVERVIEW

The subject of this reserve study report is the common areas within The Royal St. Andrew Association, Inc., a 60 unit residential development located in Sarasota, Florida. Originally constructed at or near 1969, per the Sarasota County public records, the common areas include a 15 story tower building of concrete frame/superstructure construction, with painted stucco exteriors and flat membrane roofing, as well as a single story concrete frame/superstructure parking garage, pool, multiple carports, and site improvements.

The tower building features interior lobbies, common rooms and hallways, as well as typical unit balconies; some of the balconies feature screen enclosures, while others have been enclosed and converted to living area. According to the prior property manager, the unit lanai enclosures and windows are the financial responsibility of the unit owners and not the association. The first floor supports a main lobby and sitting area, elevator lobby, small library, exercise room, residential grade catering kitchen, manager's office, mailboxes, restrooms, galleries, two dwelling units, and typical storage, trash and mechanical rooms. Floors 2-15 support the remaining dwelling units, and are accessed via two electric/traction elevators and typical stairway cores. The interior finishes include upgraded carpet and tile flooring, painted gypsum board interior walls, combination painted/textured and drop acoustical tile ceilings (including tray ceilings), better quality built ins (doors/frames, mailboxes, plumbing and electrical fixtures, storefront glass/lobby entries, decorative columns, etc.) and inventories of better quality furnishings, health club quality exercise equipment, and residential grade kitchen appliances.

Air conditioning of the common areas is via a single roof mounted package unit and multiple split system air handlers and condensers. Major mechanical equipment includes an exterior emergency backup generator, domestic water pumps/equipment and fire pump/equipment. There is a fire alarm/safety system, and security access control/video surveillance equipment. A single trash chute and typical trash chute doors supports the dwelling units.

The pool is of standard concrete construction, with decorative paver decking, perimeter metal fencing/gates, and inventories of typical pumps/equipment and better quality deck furniture. The carports, which are located at ground level and atop the parking garage building, have metal framing and aluminum roofing. Additional common area improvements include, but are not necessarily limited to, asphalt and concrete paving, landscaping, site lighting, and signage.

Reserves are only calculated for the replacement of short-lived building or site components. This includes components that require replacement prior to the overall estimated end life of the buildings or structures. This report is designed to provide reasonable, appropriate budgetary cost and useful life data based on market standards for the subject's property type and in compliance with Florida statutes. Florida Statutes require consideration for roofs, exterior paint and/or waterproofing, pavement and all items that have an estimated repair or replacement cost above $10,000. This report assumes that the unit entry doors/hardware, windows, sliding glass doors and balcony railings/screen enclosures/decking are the financial responsibility of the unit owners. We are unaware of any private reserve requirements.

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: The Royal St. Andrew Association, Inc.
Property Location: Sarasota, Florida
Property Type: Condominium Association
Total Units: 60

Report Run Date: April 26, 2021
Budget Year Begins: January 1, 2022
Budget Year Ends: December 31, 2022

PROJECTED COMPONENT CATEGORIES AND PARAMETERS

Air Conditioning
Common Area Interiors
Mechanical/Electrical
Painting & Waterproofing
Parking Garage/Paving
Plumbing
Pool
Roofing

Total current cost of all reserve components in reserve analysis:	$	2,403,118
Estimated beginning reserve fund balance for reserve analysis:	$	272,181
Total number of components scheduled for replacement in the 2022 budget year:		4
Total cost of components scheduled for replacement in the 2022 budget year:	$	73,040

ANALYSIS RESULTS –CASH FLOW ANALYSIS

Current annual reserve funding contribution amount (2021 Budget):	$	108,960
Our recommended annual reserve funding contribution amount:	$	148,860
Increase (decrease) between current and recommended annual contribution amounts:	$	39,900
Increase (decrease) between current and recommended annual contribution amounts:		36.6%

ANALYSIS RESULTS – COMPONENT FUNDING ANALYSIS

Current annual reserve funding contribution amount (2021 Budget):	$	108,960
Our recommended annual reserve funding contribution amount:	$	430,349
Increase (decrease) between current and recommended annual contribution amounts:	$	322,000
Increase (decrease) between current and recommended annual contribution amounts:		295%

RESERVE BUDGET COMPARISON

The previous page provides a comparison of the association's approved fiscal year 2021 reserve contribution level and our estimates for full reserve funding for fiscal year 2022. The funding requirement estimated for fiscal year 2022 via the Cash Flow Analysis is appreciably higher than the association's approved fiscal year 2021 contribution level, while the recommendation based on the Component Funding Analysis methodology is significantly higher than the association's approved fiscal year 2021 contribution level. Continuing to fund the reserves as included in this report at the association's approved 2021 contribution level will likely necessitate future special assessment(s) and/or loan(s) to offset the planned reserve expenditures.

Based on the Cash Flow Analysis methodology, the association can fully fund the reserves as analyzed in this report at $148,860 in fiscal year 2022. In this analysis we have utilized a 1.05% 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.

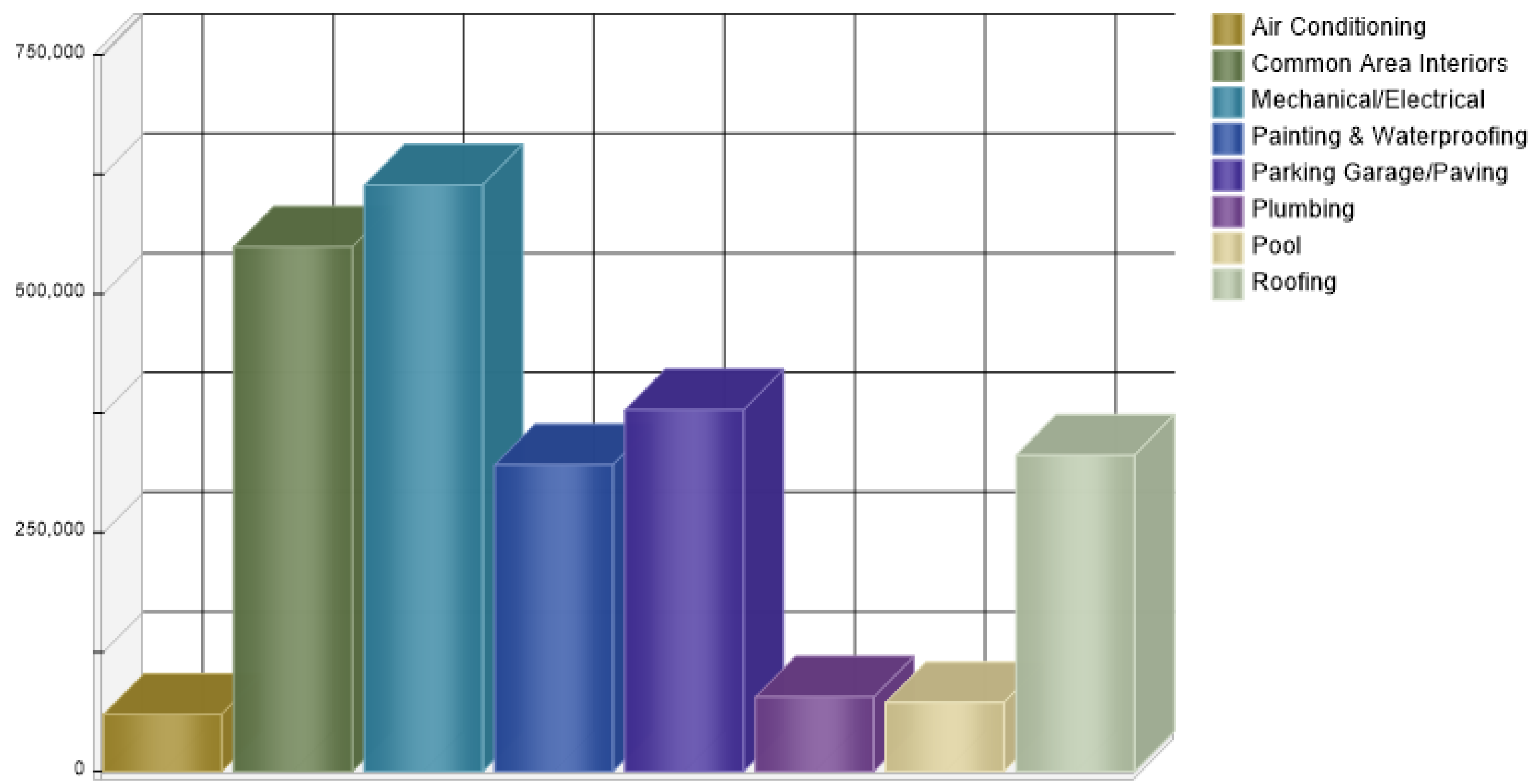
Based on our Component Funding Analysis model, the reserves as analyzed in this report suggest that in order to fully fund in fiscal year 2022, the contribution should be $430,349. The Component Funding Analysis is a straight-line accounting procedure that was previously mandated by the State of Florida. Until December 2002, funding at less than this amount was considered partial funding by the state and required approval by the association members. As stated previously in this report, changes to the administrative code now allow the implementation/use of a pooling, or cash flow method of reserve analysis.

CASH FLOW ANALYSIS

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Item Parameter - Category - Chart



The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Item Parameters - Detail

Category / Reserve Item	Service Date	Replace Date	Basis Cost	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Air Conditioning									
AC Units Elevator Room	02/01/2015	02/01/2025	$ 2,935.10	1.5 tons	$ 4,402.65	10:00	10:00	3:01	$ 4,402.65
AC Units Kitchen	09/01/2021	09/01/2031	2,021.00	3 tons	6,063.00	10:00	10:00	9:08	6,063.00
AC Units Maintenance	09/01/2021	09/01/2031	1,695.40	5 tons	8,477.00	10:00	10:00	9:08	8,477.00
AC Units Men's Room	09/01/2021	09/01/2031	2,126.20	2.5 tons	5,315.50	10:00	10:00	9:08	5,315.50
AC Units Unit 104	07/01/2019	07/01/2029	2,126.20	2.5 tons	5,315.50	10:00	10:00	7:06	5,315.50
Package Unit Hallways	03/01/2016	03/01/2027	3,011.65	10 tons	30,116.50	11:00	11:00	5:02	30,116.50
					59,690.15				59,690.15
Common Area Interiors									
Admin. Office Renovation	06/01/2020	06/01/2034	$ 20.00	280 sq ft	$ 5,600.00	14:00	14:00	12:05	$ 5,600.00
Exercise Room/Equipment	06/01/2020	06/01/2030	17,000.00	1 lp sm	17,000.00	10:00	10:00	8:05	17,000.00
Hallways Flooring 2007	06/01/2007	06/01/2035	11.59	415 sq ft	4,809.85	28:00	28:00	13:05	4,809.85
Hallways Flooring 2017	06/01/2017	06/01/2045	11.59	2,250 sq ft	26,077.50	28:00	28:00	23:05	26,077.50
Hallways Flooring 2018	06/01/2018	06/01/2046	11.59	3,600 sq ft	41,724.00	28:00	28:00	24:05	41,724.00
Hallways Furnishings/Lighting	09/01/2021	09/01/2035	2,600.00	14 floors	36,400.00	14:00	14:00	13:08	36,400.00
Hallways Wall/Door Finishes	06/01/2017	06/01/2031	53,708.00	0.5 lp sm	26,854.00	14:00	14:00	9:05	26,854.00
Hallways Wall/Door Finishes	06/01/2018	06/01/2032	53,708.00	0.5 lp sm	26,854.00	14:00	14:00	10:05	26,854.00
Lobby Level Furnishings/Carpet	06/01/2020	06/01/2034	29.50	1,850 sq ft	54,575.00	14:00	14:00	12:05	54,575.00
Lobby Level Kitchen	06/01/2018	06/01/2043	194.00	75 sq ft	14,550.00	25:00	25:00	21:05	14,550.00
Lobby Level Renovation (Long Range)	01/01/2007	01/01/2035	140.00	1,850 sq ft	259,000.00	28:00	28:00	13:00	259,000.00
Lobby Level Restrooms (Men’s)	01/01/2007	06/01/2025	87.50	150 sq ft	13,125.00	28:00	18:05	3:05	13,125.00
Lobby Level Restrooms (Women’s)	05/01/2009	06/01/2025	87.50	150 sq ft	13,125.00	28:00	16:01	3:05	13,125.00
Lobby Level Wall/Door Finishes	10/01/2019	10/01/2033	9,386.00	1 lp sm	9,386.00	14:00	14:00	11:09	9,386.00
					549,080.35				549,080.35
Mechanical/Electrical									
Domestic Water Pumps/Equipment	05/01/2005	05/01/2029	$ 25,260.00	1 lp sm	$ 25,260.00	24:00	24:00	7:04	$ 25,260.00
Elevator Mechanical Modernization	06/01/2004	06/01/2034	141,390.00	2 cabs	282,780.00	30:00	30:00	12:05	282,780.00
Fire Alarm System Modernization	06/01/2004	06/01/2029	2,180.00	60 units	130,800.00	25:00	25:00	7:05	130,800.00
Fire Pump/Equipment	06/01/2008	06/01/2048	630.55	50 hp	31,527.50	40:00	40:00	26:05	31,527.50
Generator/Equipment	11/01/2005	11/01/2031	435.30	150 kw	65,295.00	26:00	26:00	9:10	65,295.00

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Item Parameters - Detail

Category / Reserve Item	Service Date	Replace Date	Basis Cost	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Mechanical/Electrical									
Security (Access Control/Keypads)	09/01/2021	09/01/2031	$ 5,650.00	2 each	$ 11,300.00	10:00	10:00	9:08	$ 11,300.00
Security (Video Surveillance)	09/01/2021	09/01/2032	1,689.00	9 cameras	15,201.00	11:00	11:00	10:08	15,201.00
Trash Chute	06/01/1969	06/01/2024	3,445.00	15 floors	51,675.00	40:00	55:00	2:05	51,675.00
					613,838.50				613,838.50
Painting & Waterproofing									
Paint Stairway Interiors	09/01/2021	09/01/2046	$ 1,560.00	29 flights	$ 45,240.00	25:00	25:00	24:08	$ 45,240.00
Paint/Waterproof Building Exteriors	06/01/2016	06/01/2024	4,595.00	60 units	275,700.00	8:00	8:00	2:05	275,700.00
					320,940.00				320,940.00
Parking Garage/Paving									
Asphalt Paving (Replacement)	07/01/2003	08/01/2023	$ 34.60	1,230 sq yds	$ 42,558.00	24:00	20:01	1:07	$ 42,558.00
Asphalt Paving (Sealcoat/Rejuvenation)	06/01/2020	09/01/2027	3.07	1,230 sq yds	3,776.10	4:00	7:03	5:08	3,776.10
Carports/Walkways Canopies	06/01/1969	01/01/2026	23.15	11,000 sq ft	254,650.00	40:00	56:07	4:00	254,650.00
Parking Garage Lighting	06/01/2002	06/01/2022	7,000.00	1 lp sm	7,000.00	20:00	20:00	0:05	7,000.00
Parking Garage Traffic Coating/Decking	10/01/2019	10/01/2030	9.12	7,700 sq ft	70,224.00	11:00	11:00	8:09	70,224.00
					378,208.10				378,208.10
Plumbing									
Plumbing (Stack Cleaning)	03/01/2019	09/01/2023	$ 18,000.00	1 lp sm	$ 18,000.00	5:00	4:06	1:08	$ 18,000.00
Plumbing, (Stack Replacement) 2022		09/01/2022	15,000.00	1 lp sm	15,000.00	1:00	1:00	0:08	15,000.00
Plumbing, (Stack Replacement) 2023		09/01/2023	15,000.00	1 lp sm	15,000.00	1:00	1:08	1:08	15,000.00
Plumbing, (Stack Replacement) 2024		09/01/2024	15,000.00	1 lp sm	15,000.00	1:00	2:08	2:08	15,000.00
Plumbing, (Stack Replacement) 2025		09/01/2025	15,000.00	1 lp sm	15,000.00	1:00	3:08	3:08	15,000.00
					78,000.00				78,000.00
Pool									
Deck Furniture	07/01/2018	07/01/2028	$ 7,320.00	1 lp sm	$ 7,320.00	10:00	10:00	6:06	$ 7,320.00
Decking	06/01/1995	09/01/2022	11.00	2,400 sq ft	26,400.00	25:00	27:03	0:08	26,400.00
Equipment Allowance	06/01/2015	06/01/2025	5,000.00	1 lp sm	5,000.00	10:00	10:00	3:05	5,000.00
Heater (Electric)	12/01/2015	12/01/2024	4,716.00	1 lp sm	4,716.00	9:00	9:00	2:11	4,716.00

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Item Parameters - Detail

Category Reserve Item	Service Date	Replace Date	Basis Cost	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Pool									
Heater (Gas)	03/01/2019	03/01/2028	$ 4,119.00	1 lp sm	$ 4,119.00	9:00	9:00	6:02	$ 4,119.00
Interior Resufacing	11/01/2004	09/01/2022	28.00	880 sq ft	24,640.00	12:00	17:10	0:08	24,640.00
					72,195.00				72,195.00
Roofing									
Entry Canopies Roofing	06/01/2007	06/01/2027	$ 11,825.00	1 lp sm	$ 11,825.00	20:00	20:00	5:05	$ 11,825.00
Tower Roofing (Coating)	06/01.2017	06/01/2027	455.80	88.6 sqs	40,383.88	10:00	10:00	5:05	40,383.88
Tower Roofing (Replacement)	06/01/1996	06/01/2037	3,148.50	88.6 sqs	278,957.10	20:00	41:00	15:05	278,957.10
					331,165.98				331,165.98
					2,403,118.08				2,403,118.08

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Item Parameters - Full Detail

AC Units Elevator Room

Item Number	52	**Measurement Basis**	tons
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Air Conditioning	**Basis Cost**	$ 2,935.10
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0052	02/01/2015	02/01/2025	3:01	10:00	1.5	$ 4,402.65	$ 4,402.65
						4,402.65	4,402.65

Comments

None of the individual air handler/condenser units has a current repair/replacement cost of $10,000+, so their inclusion in the association's estimate of full statutory reserve funding for fiscal year 2022 is not mandated under current Florida Statute 718 reserve requirements. Some associations prefer to fund as needed replacement of these smaller units through their annual operating budgets, while others (like the subject) do establish and fund replacement reserves. Some include them on an individual unit basis, while others fund on a partial inventory or total inventory basis.

The association's fiscal year 2019 reserve budget does include the common area AC units, so reserves were included in this report. It is our market observation that condenser units designed for use in the corrosive ocean environment typically last in the 10 year range, while air handlers can last 15-20+ years under normal conditions. Based on the reported age of several of these units, the association should expect to incur multiple replacement costs in the near future. At the association's prior request and sole discretion, replacements of the both units were scheduled on a recurring 10 year life cycles. The photographs are of representative units.

Item Parameters - Full Detail

AC Units Kitchen

Item Number	53	**Measurement Basis**	tons
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Air Conditioning	**Basis Cost**	$ 2,021.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0053	09/01/2021	09/01/2031	9:08	10:00	3	$ 6,063.00	$ 6,063.00
						6,063.00	6,063.00

Comments

AC Units Maintenance

Item Number	54	**Measurement Basis**	tons
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Air Conditioning	**Basis Cost**	$ 1,695.40
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0054	09/01/2021	09/01/2031	9:08	10:00	5	$ 8,477.00	$ 8,477.00
						8,477.00	8,477.00

Comments

Item Parameters - Full Detail

AC Units Men's Room

Item Number	55	**Measurement Basis**	tons
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Air Conditioning	**Basis Cost**	$ 2,126.20
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0055	09/01/2021	09/01/2031	9:08	10:00	2.5	$ 5,315.50	$ 5,315.50
						5,315.50	5,315.50

Comments

AC Units Unit 104

Item Number	56	**Measurement Basis**	tons
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Air Conditioning	**Basis Cost**	$ 2,126.20
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0056	07/01/2019	07/01/2029	7:06	10:00	2.5	$ 5,315.50	$ 5,315.50
						5,315.50	5,315.50

Comments

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Item Parameters - Full Detail

Package Unit Hallways

Item Number	10	**Measurement Basis**	tons
Type	Common Area	**Estimated Useful Life**	11 Years
Category	Air Conditioning	**Basis Cost**	$ 3,011.65
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0010	03/01/2016	03/01/2027	5:02	11:00	10	$ 30,116.50	$ 30,116.50
						30,116.50	30,116.50

Comments

Life cycles in the 7-12 year range have been observed for replacement of exterior HVAC condensers and package/outside air units, assuming proper and routine maintenance and installation of units designed for use in the corrosive ocean environment. The roof mounted package unit supporting the common area hallways was forecast for replacement in 2027, and on a recurring 11 year life cycle thereafter.

Item Parameters - Full Detail

Admin. Office Renovation

Item Number	38	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	14 Years
Category	Common Area Interiors	**Basis Cost**	$ 20.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0038	06/01/2020	06/01/2034	12:05	14:00	280	$ 5,600.00	$ 5,600.00
						5,600.00	5,600.00

Comments

This fund is designed to provide monies for cosmetic renovation of the administrative office over a recurring 14 year life cycle, including carpeting, wall/door finishes, furniture, window treatments, etc. The current cost estimate does not include any unforeseen floor area expansion(s) and/or reconfiguration(s). This project was completed since our last inspection, so no photographs were included.

Exercise Room/Equipment

Item Number	28	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Common Area Interiors	**Basis Cost**	$ 17,000.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0028	06/01/2020	06/01/2030	8:05	10:00	1	$ 17,000.00	$ 17,000.00
						17,000.00	17,000.00

Comments

None of the individual pieces of exercise equipment has a repair/replacement cost of $10,000+, so their inclusion in the association's estimate of full statutory reserve funding for fiscal year 2022 is not mandated under current Florida Statute 718 reserve requirements. It is our market observation that some associations prefer to fund as needed replacements/upgrades through their annual operating budgets, while others do establish and fund replacement reserves (on a per piece, partial inventory, or total inventory basis). For the association's consideration, we have included a reserve for equipment and cosmetic renovations to the exercise room (flooring, wall/door finishes, mirrors, etc.).

It is our market observation that while minor additions and/or replacements can be expected from time to time, better quality properties complete exercise equipment inventory replacements (treadmills, elliptical trainers, upright and recumbent exercise bikes, arc trainers, strength training stations, etc.) on a life cycle in the 10 year range, to insure the modern, appealing equipment is in use. This fund is designed to provide monies for as needed equipment replacements, flooring, wall/door finishes, wall mirrors, etc. in the exercise room over a recurring 10 year life cycle. This project was completed since our last inspection, so no photographs were included.

Hallways Flooring

Item Number	51	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	28 Years
Category	Common Area Interiors	**Basis Cost**	$ 11.59
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0051	06/01/2007	06/01/2035	13:05	28:00	415	$ 4,809.85	$ 4,809.85
920-002-0051	06/01/2017	06/01/2045	23:05	28:00	2,250	26,077.50	26,077.50
920-003-0051	06/01/2018	06/01/2046	24:05	28:00	3,600	41,724.00	41,724.00
						72,611.35	72,611.35

Comments

The association has completed phased replacement of hallway carpeting, installing the existing tile flooring. At some point, the association should expect to incur costs again for replacement of this flooring. Because replacement is typically completed due to cosmetic dissatisfaction rather than physical wear out/failure of the flooring itself, life cycles can vary from property to property; we have observed life cycles of less than 10 years, to over 30 years, for replacement of tile flooring. These funds are designed to provide monies for as needed repairs to and eventual replacement over 28 year life cycles. The dates of installation and floor areas were provided by the association, and assumed to be complete and correct.

Item Parameters - Full Detail

Hallways Furnishings/Lighting

Item Number	8	**Measurement Basis**	floors
Type	Common Area	**Estimated Useful Life**	14 Years
Category	Common Area Interiors	**Basis Cost**	$ 2,600.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0008	09/01/2021	09/01/2035	13:08	14:00	14	$ 36,400.00	$ 36,400.00
						36,400.00	36,400.00

Comments

To insure a modern cosmetic appeal, the association should expect to complete major common area furnishings projects on a periodic and regular basis. While minor additions/replacements/upgrades can be expected from time to time, life cycles ranging from roughly 10 to 20 years have been observed for major projects. This fund is designed to provide monies for periodic replacement of the floors 2-16 lobby furnishings, including tables, wall art/mirrors, decorative plants, etc., a as well as replacement of the decorative light sconces, over a recurring 14 year life cycle. As the association expects to complete this project in 2021, no photographs were included.

Hallways Wall/Door Finishes

Item Number	7	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	14 Years
Category	Common Area Interiors	**Basis Cost**	$ 53,708.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0007	06/01/2017	06/01/2031	9:05	14:00	0.5	$ 26,854.00	$ 26,854.00
920-002-0007	06/01/2018	06/01/2032	10:05	14:00	0.5	26,854.00	26,854.00
						53,708.00	53,708.00

Comments

Assuming routine in house touch ups/repairs, interior painting of primary common areas (hallways, social rooms, exercise rooms, administrative offices, etc.) has a market observed life cycle in the low to mid 10 year year range. Phased completion of this project occurred most recently in 2017 and 2018, and 2031 and 2032 expense dates scheduled accordingly. The total current lump sum cost estimate is based on the approximate wall area of 14,800 square feet at a $2.29/sq.ft. unit cost, plus a per door/frame unit cost of $82.05 and the total of +/- 182 interior doors/frames, plus a 10% contingency for trim, repairs, etc. This cost was split on a 50/50 basis, per phase.

Lobby Level Furnishings/Carpet

Item Number	2	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	14 Years
Category	Common Area Interiors	**Basis Cost**	$ 29.50
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0002	06/01/2020	06/01/2034	12:05	14:00	1,850	$ 54,575.00	$ 54,575.00
						54,575.00	54,575.00

Comments

To insure a modern cosmetic appeal, the association should expect to complete major common area furnishings projects on a periodic and regular basis. While minor additions/replacements/upgrades can be expected from time to time, life cycles ranging from roughly 10 to 20 years have been observed for major projects. This fund is designed to provide monies for as needed furnishings replacements in the main lobby and lobby level galleries (including, but not necessarily limited to, chairs, tables, carpeting and area rugs, window treatments, wall art/mirrors, plants, etc.) over a recurring 14 year life cycle. This project was completed since our last inspection, so no photographs were included.

Lobby Level Kitchen

Item Number	25	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	25 Years
Category	Common Area Interiors	**Basis Cost**	$ 194.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0025	06/01/2018	06/01/2043	21:05	25:00	75	$ 14,550.00	$ 14,550.00
						14,550.00	14,550.00

Comments

At some point, the association should expect to incur costs for major restoration of the common area kitchen (including, but not necessarily limited to, flooring, wall finishes, cabinetry and counters, plumbing and electrical fixtures, etc.). Life cycles of less than 15 years, to 30+ years, have been observed in properties of similar quality. This project was completed in 2018, and a 2043 expense date scheduled accordingly. The current cost estimate does not include any unforeseen floor area reconfiguration(s) and/or expansion(s).

This report assumes that as needed replacement of the kitchen appliances will continue to be funded through the association's annual operating budget, as a function of routine maintenance.

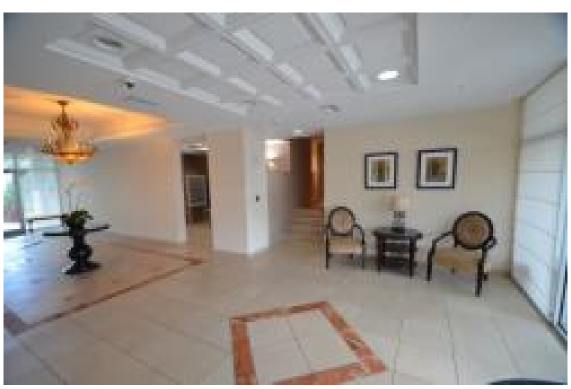
Lobby Level Renovation (Long Range)

Item Number	3	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	28 Years
Category	Common Area Interiors	**Basis Cost**	$ 140.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0003	01/01/2007	01/01/2035	13:00	28:00	1,850	$ 259,000.00	$ 259,000.00
						259,000.00	259,000.00

Comments

This fund is designed to provide monies for longer lived cosmetic renovations at the main lobby/lobby level, including tile flooring, ceiling finishes, millwork/finish carpentry, decorative columns, mailboxes, doors/frames, etc. We have observed life cycles in the 10-30+ year range; this scope of renovation was most recently completed in 2006/2007 (which suggests that a life cycle on the higher end of the range is appropriate for budgetary purposes), and a 2033 expense date scheduled accordingly. The current cost estimate is an order of magnitude figure, and does not reflect any unforeseen floor area reconfiguration(s) and/or expansion(s).



Lobby Level Restrooms

Item Number	29	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	28 Years
Category	Common Area Interiors	**Basis Cost**	$ 87.50
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0029	01/01/2007	06/01/2025	3:05	18:05	150	$ 13,125.00	$ 13,125.00
920-002-0029	05/01/2009	06/01/2025	3:05	16:01	150	13,125.00	13,125.00
						26,250.00	26,250.00

Comments

At some point, the association should expect to incur costs for major restoration of the common area restroom interiors (including, but not necessarily limited to, flooring, wall finishes, vanities, mirrors, dividers, plumbing and electrical fixtures, etc.). Life cycles of less than 15 years, to 30+ years, have been observed in properties of similar quality. The ladies room interiors were reportedly restored/renovated in spring 2009, while the men's room interiors appear to have been restored/renovated during the 2006/2007 lobby level renovation project. At the association's request and sole discretion, the remaining useful life for this project was adjusted to reflect a 2025 expense date. The current cost estimate does not include any unforeseen floor area reconfiguration(s)and/or expansion(s). The floor areas are rounded estimates.

Lobby Level Wall/Door Finishes

Item Number	6	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	14 Years
Category	Common Area Interiors	**Basis Cost**	$ 9,386.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0006	10/01/2019	10/01/2033	11:09	14:00	1	$ 9,386.00	$ 9,386.00
						9,386.00	9,386.00

Comments

Assuming routine in house touch ups/repairs, interior painting of primary common areas (hallways, social rooms, exercise rooms, administrative offices, etc.) has a market observed life cycle in the low to mid 10 year year range. The association expects to complete this project in 2019, and a 2033 expense date scheduled accordingly. The current lump sum cost estimate for interior painting of the lobby/galleries is based on the approximate wall area of 4,400 square feet at a $1.68/sq.ft. unit cost, plus a per door/frame unit cost of $67.10 and the total of +/- 17 interior doors/frame sides, plus a 10% contingency for trim, repairs, etc.

Insurance Reserve

Item Number	45	**Measurement Basis**	
Type	Common Area	**Estimated Useful Life**	0 Year
Category	Insurance Reserve	**Basis Cost**	$ 0.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0045	06/01/1969	06/01/1969	0:00	0:00	0	$ 0.00	$ 0.00

Comments

Some associations establish and fund non-statutory reserves to provide funds for the possibility of financial losses due to hurricane/storm damage and/or insurance deductibles. Unlike say painting or roof replacement, there is no market standard for this type of reserve; some associations choose to reserve very aggressively, while others more conservatively. On that basis, we include this type of reserve only when provided an association's funding goal in total dollars and time frame in which to reach that goal. At such time as the association provides a budgetary insurance reserve funding goal and time frame in which to reach that goal, this report can be amended to include this component.

Landscaping

Item Number	39	**Measurement Basis**	
Type	Common Area	**Estimated Useful Life**	0 Year
Category	Landscaping	**Basis Cost**	$ 0.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0039	06/01/1969	06/01/1969	0:00	0:00	0	$ 0.00	$ 0.00

Comments

In our experience, some associations do establish and fund landscaping reserves, typically on a contingency basis for unforeseen storm damage, blight, etc. Because landscaping is largely cosmetic, costs and useful lives can vary, often widely, from property to property. Given this unpredictability, we include landscaping reserves only when provided current cost and useful life/remaining useful live parameters by an association, and then include at that association's sole discretion. At such time as the association can provide a budgetary funding goal and time frame in which to reach that goal for their common area landscaping, this report can be amended accordingly. As needed upgrades to irrigation systems is typically funded through an association’s annual operating budget, as a function of routine maintenance; we have not encountered an association that has established and funded a reserve for total replacement in the absence of an engineering report demonstrating the need and/or economic feasibility of total irrigation system replacement.

Item Parameters - Full Detail

Domestic Water Pumps/Equipment

Item Number	16	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	24 Years
Category	Mechanical/Electrical	**Basis Cost**	$ 25,260.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0016	05/01/2005	05/01/2029	7:04	24:00	1	$ 25,260.00	$ 25,260.00
						25,260.00	25,260.00

Comments

The common area mechanical equipment inventory includes a domestic water booster pump station/system, with two 3 hp pumps, controller panel, and associated equipment. Assuming periodic pump rebuilds, motor replacements, controller upgrades, etc. as a function of routine maintenance, modernization/replacement of standard domestic water pumps and equipment has a market indicated life cycle in the low to mid 20 year range. This fund is designed to provide monies for as needed repairs to and eventual modernization/replacement of this equipment over a 24 year life cycle.

Elevator Mechanical Modernization

Item Number	12	**Measurement Basis**	cabs
Type	Common Area	**Estimated Useful Life**	30 Years
Category	Mechanical/Electrical	**Basis Cost**	$ 141,390.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0012	06/01/2004	06/01/2034	12:05	30:00	2	$ 282,780.00	$ 282,780.00
						282,780.00	282,780.00

Comments

Modernization of traction/electric elevator mechanical and electrical components, including (but not necessarily limited to), controllers, door hardware, etc. has been observed on life cycles in the 25-30 year range in properties of similar quality, assuming a typical maintenance program. The useful life is often determined by an association's dissatisfaction with the elevators' speed, smoothness of ride, and noise. A 30 year life cycle estimate suggests this expense again in 2034.

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Item Parameters - Full Detail

Fire Alarm System Modernization

Item Number	14	**Measurement Basis**	units
Type	Common Area	**Estimated Useful Life**	25 Years
Category	Mechanical/Electrical	**Basis Cost**	$ 2,180.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0014	06/01/2004	06/01/2029	7:05	25:00	60	$ 130,800.00	$ 130,800.00
						130,800.00	130,800.00

Comments

Due to improvements in technology and/or parts obsolescence, major modernization of fire alarm system components (panels, pull stations, horns/strobes, detectors, hoses) is typically necessary on a 20-30 year schedule. A mid-range 25 year life cycle estimate reflects a 2029 expense date. Given ever changing technologies and/or changing fire codes, we recommend that prior to reserve funding decisions being made (and on a periodic and regular basis thereafter), a life/fire safety consultant(s) assess the existing system to determine more specific remaining useful life and cost parameters. We reserve the right to modify this report upon receipt of such an assessment(s).

Fire Pump/Equipment

Item Number	15	**Measurement Basis**	hp
Type	Common Area	**Estimated Useful Life**	40 Years
Category	Mechanical/Electrical	**Basis Cost**	$ 630.55
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0015	06/01/2008	06/01/2048	26:05	40:00	50	$ 31,527.50	$ 31,527.50
						31,527.50	31,527.50

Comments

The fire 50 BHP, 500 gallons per minute vertical turbine fire pump should enjoy a useful life of 35-50+ years, assuming a routine maintenance program. This fund is designed to provide monies for as needed repairs to and eventual replacement over a 40 year life cycle. The current cost estimate includes the controller panel, pump, valves, fittings, etc.

Under normal operating conditions, total replacement of the fire sprinkler systems and associated plumbing should not be necessary at any one given time. It is our experience that associations typically fund these systems through an annual service contract, and that replacements and upgrades are completed on an incidental, as needed basis through the association's operating budget. As such, no line items for the fire sprinkler systems were included in this report.

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Item Parameters - Full Detail

Generator/Equipment

Item Number	17	**Measurement Basis**	kw
Type	Common Area	**Estimated Useful Life**	26 Years
Category	Mechanical/Electrical	**Basis Cost**	$ 435.30
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0017	11/01/2005	11/01/2031	9:10	26:00	150	$ 65,295.00	$ 65,295.00
						65,295.00	65,295.00

Comments

Outside an enclosed building/room, emergency generators with exposure to the corrosive ocean environment has market observed life cycles in the mid 20 year range. This fund is designed to provide monies for as needed repairs to and eventual replacement of the 150 kilowatt emergency generator over a 26 year life cycle. The current cost estimate includes the transfer switch, fuel tank, and other associated equipment.

Item Parameters - Full Detail

Security (Access Control/Keypads)

Item Number	24	**Measurement Basis**	each
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Mechanical/Electrical	**Basis Cost**	$ 5,650.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0024	09/01/2021	09/01/2031	9:08	10:00	2	$ 11,300.00	$ 11,300.00
						11,300.00	11,300.00

Comments

Modernization/replacement of the security access control equipment/panel was forecast on a market observed life cycle in the 10 year range. The association expects to complete this project in 2021, and a 2031 expense date scheduled accordingly. As the association expects to complete this project in 2021, no photographs were included.

Security (Video Surveillance)

Item Number	36	**Measurement Basis**	cameras
Type	Common Area	**Estimated Useful Life**	11 Years
Category	Mechanical/Electrical	**Basis Cost**	$ 1,689.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0036	09/01/2021	09/01/2032	10:08	11:00	9	$ 15,201.00	$ 15,201.00
						15,201.00	15,201.00

Comments

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 association expects to complete this project in 2021, and a 2032 expense date forecast accordingly. The current per camera cost estimate is reflective of the entire system. As the association expects to complete this project in 2021, no photographs were included.

Trash Chute

Item Number	27	**Measurement Basis**	floors
Type	Common Area	**Estimated Useful Life**	40 Years
Category	Mechanical/Electrical	**Basis Cost**	$ 3,445.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0027	06/01/1969	06/01/2024	2:05	55:00	15	$ 51,675.00	$ 51,675.00
						51,675.00	51,675.00

Comments

We have observed a limited amount of market data that suggests that the association should expect to incur costs for some measure of major restoration/replacement of the trash chute in the foreseeable future. Life cycles in the 40 year range have been observed; no major projects have been completed at the project, reflecting an actual age of +/- 50 years. This suggests that some measure of costly restoration/replacement should be expected in the near future. In keeping with the association's approved fiscal year 2021 reserve budget, and at the association request and sole discretion, this expense was forecast in 2024.

As none of the individual trash chute doors has a repair/replacement cost of $10,000+, their inclusion in the association's estimate of full statutory reserve funding for fiscal year 2022 is not mandated under current Florida Statute 718 reserve requirements. Some associations do establish and fund reserves for trash chute door inventory replacement, while others, like the subject, complete as needed repairs/replacements as a function of routine maintenance. For the association's consideration, we estimate a total current inventory replacement cost of $9,755.

Item Parameters - Full Detail

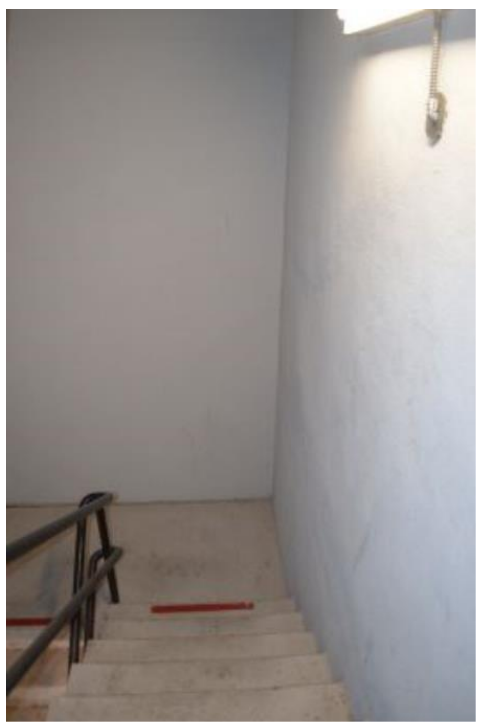
Paint Stairway Interiors

Item Number	40	**Measurement Basis**	flights
Type	Common Area	**Estimated Useful Life**	25 Years
Category	Painting & Waterproofing	**Basis Cost**	$ 1,560.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0040	09/01/2021	09/01/2046	24:08	25:00	29	$ 45,240.00	$ 45,240.00
						45,240.00	45,240.00

Comments

Given the secondary cosmetic nature of the common area stairway interiors, third party painting is typically completed on a longer life cycle than interior painting of common rooms, hallways, etc. Life cycles in the mid-10 to 30+ year range have been observed; the association expects to complete this project in 2021. The current cost estimate was included at the association's request and sole discretion, and is based on a single contractor's proposal obtained in 2018.



Paint/Waterproof Building Exteriors

Item Number	1	**Measurement Basis**	units
Type	Common Area	**Estimated Useful Life**	8 Years
Category	Painting & Waterproofing	**Basis Cost**	$ 4,595.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0001	06/01/2016	06/01/2024	2:05	8:00	60	$ 275,700.00	$ 275,700.00
						275,700.00	275,700.00

Comments

To ensure proper protection of the underlying concrete, stucco, wood and metal surfaces, the market reflects a maximum 7 year useful life for exterior painting & waterproofing (in lieu of an association purchased longer year warranty). This project was reportedly completed in 2016, and an 8 year warranty purchase; a 2024 expense date was scheduled accordingly. The current average per dwelling unit cost estimate includes typical minor concrete/stucco repairs, surface preparation, as needed window/sliding glass door caulking and control joints restoration, and painting/refinishing of all exterior concrete, stucco, wood and metal surfaces (including railings and window/slider frames).

A determination of the condition of the exterior structural/concrete/stucco systems is beyond the scope of this report. While it is certain that some measure of structural/concrete/stucco restoration will be necessary in any property of the subject's design and construction with exposure to the ocean elements, it is very difficult to quantify budgetary costs and remaining useful lives. Costs can range from as low as $5,000 per unit to over $60,000 per unit, and useful lives can range from as low as roughly 15 years to over 40 years. It is our market observation that very few associations establish and fund major structural/concrete/stucco restoration reserves, given the relative uncertainty of cost and useful life; it is much more common for these upgrades to be funded (at least partially) via special assessment. No reserves for structural/concrete/stucco restoration were included in this report. Should the association wish to include reserves for structural/concrete/stucco restoration, a budgetary funding goal and useful life cycle would need to be provided.

Asphalt Paving (Replacement)

Item Number	19	**Measurement Basis**	sq yds
Type	Common Area	**Estimated Useful Life**	24 Years
Category	Parking Garage/Paving	**Basis Cost**	$ 34.60
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0019	07/01/2003	08/01/2023	1:07	20:01	1,230	$ 42,558.00	$ 42,558.00
						42,558.00	42,558.00

Comments

We have observed life cycles of less than 15 years, to 25+ years, for asphalt overlay projects, assuming proper design, installation and routine maintenance. The existing asphalt was installed in mid-2003, and observed to be in fair to average overall condition; replacement was scheduled in 2023, accordingly. The current unit cost estimate includes milling/removal of the existing asphalt paving, typical minor repairs to the underlying pavement subbase and drainage systems, installation of new asphalt paving, curb stops replacement, and re-striping. The paved area is a rounded estimate.

Under normal conditions, total replacement of concrete paving (sidewalks, curbing, gutters, etc.) should not be necessary at any one given time. It is our market observation that while some associations do establish and fund contingency reserves for concrete paving repairs, many prefer to fund as needed repairs through their annual operating budgets, as a function of routine maintenance. No reserves for concrete paving were included in this report.

Item Parameters - Full Detail

Asphalt Paving (Sealcoat/Rejuvenation)

Item Number	20	**Measurement Basis**	sq yds
Type	Common Area	**Estimated Useful Life**	4 Years
Category	Parking Garage/Paving	**Basis Cost**	$ 3.07
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0020	06/01/2020	09/01/2027	5:08	7:03	1,230	$ 3,776.10	$ 3,776.10
						3,776.10	3,776.10

Comments

Some associations are of the opinion that sealcoating/rejuvenation of asphalt serves as not only a cosmetic upgrade; it also insures minimal moisture intrusion into the underlying pavement structure. Without a proper moisture barrier, premature deterioration in the form of potholes, etc. can occur, causing the need for more frequent (and costly) asphalt overlays. Others consider this project to be strictly cosmetic, and forego. It appears that this project has been completed at the subject property, and a reserve line item included accordingly. The market reflects a typical useful life of 3-4 years for this upgrade. Assuming an asphalt replacement project in 2023, this expense was scheduled again in 2027.

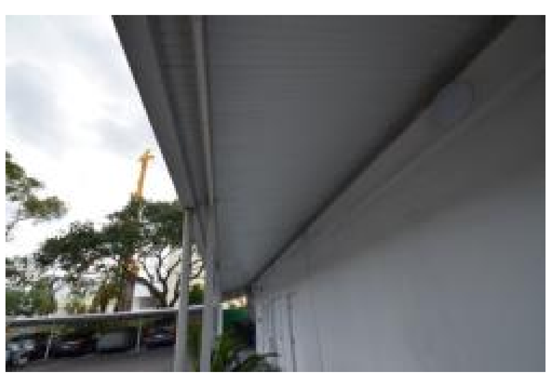
Carports/Walkways Canopies

Item Number	21	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	40 Years
Category	Parking Garage/Paving	**Basis Cost**	$ 23.15
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0021	06/01/1969	01/01/2026	4:00	56:07	11,000	$ 254,650.00	$ 254,650.00
						254,650.00	254,650.00

Comments

The dates of install of the metal carports was not confirmed; based on our inspection, it appears that at least portions of the ground level carports may be original to the property, while the parking deck carports appear to have been replaced/installed since that time. At some point in the foreseeable future, the association should expect to incur costs for replacement of the metal carports/walkway covers. We have observed life cycles in the 30-40 year range. We have designed this reserve to provide monies for as needed repairs to and eventual replacement over the next 5-10 years. We reserve the right to modify this report upon confirmation of the factual placed in service date(s). The total area is a rounded estimate.



The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Item Parameters - Full Detail

Parking Garage Lighting

Item Number	41	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	20 Years
Category	Parking Garage/Paving	**Basis Cost**	$ 7,000.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0041	06/01/2002	06/01/2022	0:05	20:00	1	$ 7,000.00	$ 7,000.00
						7,000.00	7,000.00

Comments

The association's fiscal year 2019 reserve budget includes a $7,000 allowance identified as Parking-Electric, which is reportedly designed to provide monies for lighting replacements in/at the parking garage. The expected expense date is 2022, and we have scheduled accordingly.

Parking Garage Traffic Coating/Decking

Item Number	23	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	11 Years
Category	Parking Garage/Paving	**Basis Cost**	$ 9.12
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0023	10/01/2019	10/01/2030	8:09	11:00	7,700	$ 70,224.00	$ 70,224.00
						70,224.00	70,224.00

Comments

Life cycle in the 10-13 year range have been observed for replacement of waterproof traffic coating/decking atop parking decks. The association expects to complete this project in 2019, and a 2030 expense date forecast accordingly. The current cost estimate includes removal of the existing decking, typical minor repairs to the underlying concrete, installation of similar decking materials and re-striping. The total area is a rounded estimate. As this project was completed since our most recent inspection, no photograph was included.

Item Parameters - Full Detail

Plumbing (Stack Cleaning)

Item Number	42	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	5 Years
Category	Plumbing	**Basis Cost**	$ 18,000.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0042	03/01/2019	09/01/2023	1:08	4:06	1	$ 18,000.00	$ 18,000.00
						18,000.00	18,000.00

Comments

Under normal conditions, total replacement of the common area plumbing lines/piping should not be necessary at any one given time. Therefore, it is our opinion that reserving for total replacement is not prudent or practical, which is supported by our review of reserve budgets at similar properties. While some associations do establish and fund contingency reserves for unpredictable and expected common area plumbing repairs, other associations prefer to fund unforeseen common area plumbing repairs (at least partially) via special assessment.

The association's fiscal year 2021 reserve budget includes a line item identified as Stack Cleaning, with a $18,000 current cost estimate, expected 5 year life cycle and 2023 expense date. We have not gleaned adequate actual market data by which the reasonableness of these cost/useful life estimates can be reconciled. As such, this reserve was included at the association's sole discretion.

Item Parameters - Full Detail

Plumbing, (Stack Replacement)

Item Number	43	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	1 Year
Category	Plumbing	**Basis Cost**	$ 15,000.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0043	09/01/2021	09/01/2022	0:08	1:00	1	$ 15,000.00	$ 15,000.00
						15,000.00	15,000.00

Comments

A determination of the design/construction quality and/or condition of the plumbing systems/infrastructure is beyond the scope of this report. The previously provided 2015 reserve budget suggested that a major plumbing stack restoration/replacement project was completed in 2010. This reflects a +/- 41 year useful life; this falls generally in line with other older tower buildings we have observed, which reflect useful lives in the 30-40 year range for some measure of major plumbing/stack restoration/replacement. We have not observed enough actual market data by which unit costs can be estimated for this project, and it appears that costs can vary widely, and are essentially property specific. In keeping with the association's approved 2021 reserve budget, and at the association's sole discretion,. an annual allowance of $15,000 was included for as needed stack replacement expenses. Actual costs and time frames may vary, perhaps widely, from these estimates.

Deck Furniture

Item Number	34	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Pool	**Basis Cost**	$ 7,320.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0034	07/01/2018	07/01/2028	6:06	10:00	1	$ 7,320.00	$ 7,320.00
						7,320.00	7,320.00

Comments

While minor additions/replacements can be expected from time to time, and assuming periodic as needed re-slinging and/or refinishing as a function of routine maintenance, most associations complete pool deck furniture inventory replacements on a +/- 10 year life cycle. The next major replacement was forecast in 2028, accordingly. The current cost estimate is an order of magnitude figure based on actual costs incurred during the 2018 replacement project. This cost does not include the concrete tables/benches, which are not considered short lived in nature.

Decking

Item Number	32	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	25 Years
Category	Pool	**Basis Cost**	$ 11.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0032	06/01/1995	09/01/2022	0:08	27:03	2,400	$ 26,400.00	$ 26,400.00
						26,400.00	26,400.00

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. The association expects to complete this project in 2022 and the remaining useful life adjusted accordingly. The total area is a rounded estimate, and includes the walkway from the lobby entry.

Equipment Allowance

Item Number	18	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Pool	**Basis Cost**	$ 5,000.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0018	06/01/2015	06/01/2025	3:05	10:00	1	$ 5,000.00	$ 5,000.00
						5,000.00	5,000.00

Comments

Under normal conditions, total replacement of pool and spa equipment inventories (pumps, motors, chlorination systems, filters, heaters, etc.) should not be necessary at any one given time. As such, reserving for total replacement is not considered prudent or practical. This is supported by our review of reserve budgets at similar properties; while some associations establish and fund contingency reserves for as needed repair/replacement costs, others prefer to fund incidental expenses through their annual operating budgets, as a function of routine maintenance. For the association's consideration, we have included a nominal allowance to provide monies for as needed pool equipment replacements over a recurring 10 year life cycle. This fund is a projection only; actual costs and time frames may vary from these estimates.

Heater (Electric)

Item Number	47	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	9 Years
Category	Pool	**Basis Cost**	$ 4,716.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0047	12/01/2015	12/01/2024	2:11	9:00	1	$ 4,716.00	$ 4,716.00
						4,716.00	4,716.00

Comments

Separate line items were included for periodic replacement of the two pool heaters, given their differing types and purchase/installation dates. Life cycles in the 7-10 year range have been observed, assuming proper and routine maintenance. Each was scheduled for replacement on a recurring 9 year life cycle, accordingly.

Heater (Gas)

Item Number	48	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	9 Years
Category	Pool	**Basis Cost**	$ 4,119.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0048	03/01/2019	03/01/2028	6:02	9:00	1	$ 4,119.00	$ 4,119.00
						4,119.00	4,119.00

Comments

Separate line items were included for periodic replacement of the two pool heaters, given their differing types and purchase/installation dates. Life cycles in the 7-10 year range have been observed, assuming proper and routine maintenance. Each was scheduled for replacement on a recurring 9 year life cycle, accordingly.

Interior Resurfacing

Item Number	33	**Measurement Basis**	sq ft
Type	Common Area	**Estimated Useful Life**	12 Years
Category	Pool	**Basis Cost**	$ 28.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0033	11/01/2004	09/01/2022	0:08	17:10	880	$ 24,640.00	$ 24,640.00
						24,640.00	24,640.00

Comments

Assuming proper installation, chemical balancing, and routine maintenance, interior resurfacing of standard concrete pools with marcite or aggregate interior finishes should be expected on a life cycle in the 10 to mid-10 year range; properties of similar quality tend towards the lower end of that range. The most recent resurfacing project was completed in fall 2004, reflecting an actual age of +/- 17 years. **At the association's prior request and sole discretion, the remaining useful life was adjusted to reflect a 2022 expense date. This would reflect an expected useful life of 18+ years, which is beyond the observed market range. This adjustment may result in higher maintenance/resurfacing costs and/or a poorer cosmetic appeal.** 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.).

Item Parameters - Full Detail

Entry Canopies Roofing

Item Number	50	**Measurement Basis**	lp sm
Type	Common Area	**Estimated Useful Life**	20 Years
Category	Roofing	**Basis Cost**	$ 11,825.00
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0050	06/01/2007	06/01/2027	5:05	20:00	1	$ 11,825.00	$ 11,825.00
						11,825.00	11,825.00

Comments

This reserve refers to replacement of the small flat roof areas above the front and rear tower entries, which were installed in 2007 (per the association's fiscal year 2021 reserve budget). Based on an expected useful life in the +/- 20 year range for this type of roofing, a 2027 expense date was scheduled. The current cost estimate is based on the approximate square footages of these roof areas.

Tower Roofing (Coating)

Item Number	49	**Measurement Basis**	sqs
Type	Common Area	**Estimated Useful Life**	10 Years
Category	Roofing	**Basis Cost**	$ 455.80
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	One Time		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0049	/ /	06/01/2027	5:05	10:00	88.6	$ 40,383.88	$ 40,383.88
						40,383.88	40,383.88

Comments

At the association's request and sole discretion, a roof coating expense was forecast in 2027. The current cost estimate is an order of magnitude figure based on actual costs incurred during the 2017 project completion date. Because roof replacement was scheduled in 2037, the 2027 roof coating project was included as a one-time, non-recurring expense.

Tower Roofing (Replacement)

Item Number	9	**Measurement Basis**	sqs
Type	Common Area	**Estimated Useful Life**	20 Years
Category	Roofing	**Basis Cost**	$ 3,148.50
Tracking	Logistical	**Salvage Value**	$ 0.00
Method	Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0009	06/01/1996	06/01/2037	15:05	41:00	88.6	$ 278,957.10	$ 278,957.10
						278,957.10	278,957.10

Comments

Data gleaned from both within and outside the local market area reflects a probable life cycle in the +/- 20 year range for a properly designed, installed and maintained flat/membrane roof. Based on its 1996 installation date, as gleaned from the provided fiscal year 2019 reserve budget, the indicated actual age of +/- 23 years. The association installed a 10 year warranty roof coating project in 2017, which suggests that total replacement should not be necessary prior to 2027. At the association's request and sole discretion, a 2027 roof coating project was scheduled, and the remaining useful life adjusted to reflect a 2037 replacement date. This reflects an expected +/- 41 year life cycle for roof replacement, which is well beyond observed market norms. This may result in the need for alternate funding for sooner replacement, and/or higher maintenance costs. The current cost estimate includes removal and disposal of the existing roofing, typical minor repairs to the underlying roof structures, flashing, etc. and installation of like roofing. One square = 100 square feet.

Expenditures

Category	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Air Conditioning										
AC Units Elevator Room				4,402						
AC Units Kitchen										6,063
AC Units Maintenance										8,477
AC Units Men's Room										5,315
AC Units Unit 104								5,315		
Package Unit Hallways						30,116				
	0	0	0	4,402	0	30,116	0	5,315	0	19,855
Common Area Interiors										
Exercise Room/Equipment									17,000	
Hallways Wall/Door Finishes										26,854
Lobby Level Restrooms				26,250						
	0	0	0	26,250	0	0	0	0	17,000	26,854
Mechanical/Electrical										
Domestic Water Pumps/Equipment								25,260		
Fire Alarm System Modernization								130,800		
Generator/Equipment										65,295
Security (Access Control/Keypads)										11,300
Trash Chute			51,675							
	0	0	51,675	0	0	0	0	156,060	0	76,595
Painting & Waterproofing										
Paint/Waterproof Building Exteriors			275,700							
	0	0	275,700	0	0	0	0	0	0	0
Parking Garage/Paving										
Asphalt Paving (Replacement)		42,558								
Asphalt Paving (Sealcoat/Rejuvenation						3,776				3,776
Carports/Walkways Canopies					254,650					
Parking Garage Lighting	7,000									
Parking Garage Traffic Coating/Decking									70,224	
	7,000	42,558	0	0	254,650	3,776	0	0	70,224	3,776

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Expenditures

Category	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Plumbing										
Plumbing (Stack Cleaning)		18,000					18,000			
Plumbing, (Stack Replacement)	15,000	15,000	15,000	15,000						
	15,000	33,000	15,000	15,000	0	0	18,000	0	0	0
Pool										
Deck Furniture							7,320			
Decking	26,400									
Equipment Allowance				5,000						
Heater (Electric)			4,716							
Heater (Gas)							4,119			
Interior Resurfacing	24,640									
	51,040	0	4,716	5,000	0	0	11,439	0	0	0
Roofing										
Entry Canopies Roofing						11,825				
Tower Roofing (Coating)						40,383				
	0	0	0	0	0	52,208	0	0	0	0
	73,040	75,558	347,091	50,652	254,650	86,101	29,439	161,375	87,224	127,080

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Expenditures

Category	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Air Conditioning										
AC Units Elevator Room				4,402						
AC Units Kitchen										6,063
AC Units Maintenance										8,477
AC Units Men's Room										5,315
AC Units Unit 104								5,315		
Package Unit Hallways							30,116			
	0	0	0	4,402	0	0	30,116	5,315	0	19,855
Common Area Interiors										
Admin. Office Renovation			5,600							
Exercise Room/Equipment									17,000	
Hallways Flooring				4,809						
Hallways Furnishings/Lighting				36,400						
Hallways Wall/Door Finishes	26,854									
Lobby Level Furnishings/Carpet			54,575							
Lobby Level Renovation (Long Range)				259,000						
Lobby Level Wall/Door Finishes		9,386								
	26,854	9,386	60,175	300,209	0	0	0	0	17,000	0
Mechanical/Electrical										
Elevator Mechanical Modernization			282,780							
Security (Access Control/Keypads)										11,300
Security (Video Surveillance)	15,201									
	15,201	0	282,780	0	0	0	0	0	0	11,300
Painting & Waterproofing										
Paint/Waterproof Building Exteriors	275,700								275,700	
	275,700	0	0	0	0	0	0	0	275,700	0

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Expenditures

Category	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Parking Garage/Paving										
Asphalt Paving (Sealcoat/Rejuvenation				3,776				3,776		
Parking Garage Traffic Coating/Decking										70,224
	0	0	0	3,776	0	0	0	3,776	0	70,224
Plumbing										
Plumbing (Stack Cleaning)		18,000					18,000			
	0	18,000	0	0	0	0	18,000	0	0	0
Pool										
Deck Furniture							7,320			
Equipment Allowance				5,000						
Heater (Electric)		4,716								
Heater (Gas)						4,119				
Interior Resurfacing			24,640							
	0	4,716	24,640	5,000	0	4,119	7,320	0	0	0
Roofing										
Tower Roofing (Replacement)						278,957				
	0	0	0	0	0	278,957	0	0	0	0
	317,755	32,102	367,595	313,388	0	283,076	55,436	9,091	292,700	101,379

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Expenditures

Category	2042	2043	2044	2045	2046	2047	2048
Air Conditioning							
AC Units Elevator Room				4,402			
	0	0	0	4,402	0	0	0
Common Area Interiors							
Admin. Office Renovation							5,600
Hallways Flooring				26,077	41,724		
Hallways Wall/Door Finishes				26,854	26,854		
Lobby Level Furnishings/Carpet							54,575
Lobby Level Kitchen		14,550					
Lobby Level Wall/Door Finishes						9,386	
	0	14,550	0	52,931	68,578	9,386	60,175
Mechanical/Electrical							
Fire Pump/Equipment							31,527
Security (Video Surveillance)		15,201					
	0	15,201	0	0	0	0	31,527
Painting & Waterproofing							
Paint Stairway Interiors					45,240		
Paint/Waterproof Building Exteriors							275,700
	0	0	0	0	45,240	0	275,700
Parking Garage/Paving							
Asphalt Paving (Replacement)						42,558	
Asphalt Paving (Sealcoat/Rejuvenation		3,776				3,776	
Parking Garage Lighting	7,000						
	7,000	3,776	0	0	0	46,334	0
Plumbing							
Plumbing (Stack Cleaning)		18,000					18,000
	0	18,000	0	0	0	0	18,000

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Expenditures

Category	2042	2043	2044	2045	2046	2047	2048			
Pool										
Deck Furniture							7,320			
Decking						26,400				
Equipment Allowance				5,000						
Heater (Electric)	4,716									
Heater (Gas)					4,119					
Interior Resurfacing					24,640					
	4,716	0	0	5,000	28,759	26,400	7,320			
Roofing										
Entry Canopies Roofing						11,825				
	0	0	0	0	0	11,825	0			
	11,716	51,527	0	62,334	142,577	93,945	392,722			

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Cash Flow - Monthly

2022	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 272,181.00	$ 12,405.00	$ 243.59	$ 0.00	$ 284,829.59
February	284,829.59	12,405.00	254.65	0.00	297,489.24
March	297,489.24	12,405.00	265.73	0.00	310,159.97
April	310,159.97	12,405.00	276.82	0.00	322,841.79
May	322,841.79	12,405.00	287.91	0.00	335,534.70
June	335,534.70	12,405.00	295.96	7,000.00	341,235.66
July	341,235.66	12,405.00	304.01	0.00	353,944.67
August	353,944.67	12,405.00	315.13	0.00	366,664.80
September	366,664.80	12,405.00	297.37	66,040.00	313,327.17
October	313,327.17	12,405.00	279.59	0.00	326,011.76
November	326,011.76	12,405.00	290.69	0.00	338,707.45
December	338,707.45	12,405.00	301.80	0.00	351,414.25
	272,181	148,860	3,413	73,040	351,414

2023	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 351,414.25	$ 12,405.00	$ 312.91	$ 0.00	$ 364,132.16
February	364,132.16	12,405.00	324.04	0.00	376,861.20
March	376,861.20	12,405.00	335.18	0.00	389,601.38
April	389,601.38	12,405.00	346.33	0.00	402,352.71
May	402,352.71	12,405.00	357.49	0.00	415,115.20
June	415,115.20	12,405.00	368.65	0.00	427,888.85
July	427,888.85	12,405.00	379.83	0.00	440,673.68
August	440,673.68	12,405.00	372.40	42,558.00	410,893.08
September	410,893.08	12,405.00	350.52	33,000.00	390,648.60
October	390,648.60	12,405.00	347.24	0.00	403,400.84
November	403,400.84	12,405.00	358.40	0.00	416,164.24
December	416,164.24	12,405.00	369.57	0.00	428,938.81
	351,414	148,860	4,222	75,558	428,938

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Cash Flow - Monthly

2024	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 428,938.81	$ 12,405.00	$ 380.75	$ 0.00	$ 441,724.56
February	441,724.56	12,405.00	391.94	0.00	454,521.50
March	454,521.50	12,405.00	403.13	0.00	467,329.63
April	467,329.63	12,405.00	414.34	0.00	480,148.97
May	480,148.97	12,405.00	425.56	0.00	492,979.53
June	492,979.53	12,405.00	293.56	327,375.00	178,303.09
July	178,303.09	12,405.00	161.44	0.00	190,869.53
August	190,869.53	12,405.00	172.44	0.00	203,446.97
September	203,446.97	12,405.00	176.88	15,000.00	201,028.85
October	201,028.85	12,405.00	181.33	0.00	213,615.18
November	213,615.18	12,405.00	192.34	0.00	226,212.52
December	226,212.52	12,405.00	201.30	4,716.00	234,102.82
	428,938	148,860	3,395	347,091	234,102

2025	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 234,102.82	$ 12,405.00	$ 210.27	$ 0.00	$ 246,718.09
February	246,718.09	12,405.00	219.38	4,402.65	254,939.82
March	254,939.82	12,405.00	228.50	0.00	267,573.32
April	267,573.32	12,405.00	239.55	0.00	280,217.87
May	280,217.87	12,405.00	250.62	0.00	292,873.49
June	292,873.49	12,405.00	248.02	31,250.00	274,276.51
July	274,276.51	12,405.00	245.42	0.00	286,926.93
August	286,926.93	12,405.00	256.49	0.00	299,588.42
September	299,588.42	12,405.00	261.00	15,000.00	297,254.42
October	297,254.42	12,405.00	265.52	0.00	309,924.94
November	309,924.94	12,405.00	276.61	0.00	322,606.55
December	322,606.55	12,405.00	287.71	0.00	335,299.26
	234,102	148,860	2,989	50,652	335,299

The Royal St. Andrew Association, Inc.

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Cash Flow - Monthly

2026	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 335,299.26	$ 12,405.00	$ 187.40	$ 254,650.00	$ 93,241.66
February	93,241.66	12,405.00	87.01	0.00	105,733.67
March	105,733.67	12,405.00	97.94	0.00	118,236.61
April	118,236.61	12,405.00	108.88	0.00	130,750.49
May	130,750.49	12,405.00	119.83	0.00	143,275.32
June	143,275.32	12,405.00	130.79	0.00	155,811.11
July	155,811.11	12,405.00	141.76	0.00	168,357.87
August	168,357.87	12,405.00	152.74	0.00	180,915.61
September	180,915.61	12,405.00	163.73	0.00	193,484.34
October	193,484.34	12,405.00	174.73	0.00	206,064.07
November	206,064.07	12,405.00	185.73	0.00	218,654.80
December	218,654.80	12,405.00	196.75	0.00	231,256.55
	335,299	148,860	1,747	254,650	231,256

2027	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 231,256.55	$ 12,405.00	$ 207.78	$ 0.00	$ 243,869.33
February	243,869.33	12,405.00	218.81	0.00	256,493.14
March	256,493.14	12,405.00	216.68	30,116.50	238,998.32
April	238,998.32	12,405.00	214.55	0.00	251,617.87
May	251,617.87	12,405.00	225.59	0.00	264,248.46
June	264,248.46	12,405.00	213.80	52,208.88	224,658.38
July	224,658.38	12,405.00	202.00	0.00	237,265.38
August	237,265.38	12,405.00	213.03	0.00	249,883.41
September	249,883.41	12,405.00	222.42	3,776.10	258,734.73
October	258,734.73	12,405.00	231.82	0.00	271,371.55
November	271,371.55	12,405.00	242.88	0.00	284,019.43
December	284,019.43	12,405.00	253.94	0.00	296,678.37
	231,256	148,860	2,663	86,101	296,678

The Royal St. Andrew Association, Inc.

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2028	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 296,678.37	$ 12,405.00	$ 265.02	$ 0.00	$ 309,348.39
February	309,348.39	12,405.00	276.11	0.00	322,029.50
March	322,029.50	12,405.00	285.40	4,119.00	330,600.90
April	330,600.90	12,405.00	294.70	0.00	343,300.60
May	343,300.60	12,405.00	305.82	0.00	356,011.42
June	356,011.42	12,405.00	316.94	0.00	368,733.36
July	368,733.36	12,405.00	324.87	7,320.00	374,143.23
August	374,143.23	12,405.00	332.80	0.00	386,881.03
September	386,881.03	12,405.00	336.07	18,000.00	381,622.10
October	381,622.10	12,405.00	339.35	0.00	394,366.45
November	394,366.45	12,405.00	350.50	0.00	407,121.95
December	407,121.95	12,405.00	361.66	0.00	419,888.61
	296,678	148,860	3,789	29,439	419,888

2029	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 419,888.61	$ 12,405.00	$ 372.83	$ 0.00	$ 432,666.44
February	432,666.44	12,405.00	384.01	0.00	445,455.45
March	445,455.45	12,405.00	395.20	0.00	458,255.65
April	458,255.65	12,405.00	406.40	0.00	471,067.05
May	471,067.05	12,405.00	406.56	25,260.00	458,618.61
June	458,618.61	12,405.00	349.49	130,800.00	340,573.10
July	340,573.10	12,405.00	301.10	5,315.50	347,963.70
August	347,963.70	12,405.00	309.90	0.00	360,678.60
September	360,678.60	12,405.00	321.02	0.00	373,404.62
October	373,404.62	12,405.00	332.16	0.00	386,141.78
November	386,141.78	12,405.00	343.30	0.00	398,890.08
December	398,890.08	12,405.00	354.46	0.00	411,649.54
	419,888	148,860	4,276	161,375	411,649

The Royal St. Andrew Association, Inc.

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Cash Flow - Monthly

2030	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 411,649.54	$ 12,405.00	$ 365.62	$ 0.00	$ 424,420.16
February	424,420.16	12,405.00	376.79	0.00	437,201.95
March	437,201.95	12,405.00	387.98	0.00	449,994.93
April	449,994.93	12,405.00	399.17	0.00	462,799.10
May	462,799.10	12,405.00	410.38	0.00	475,614.48
June	475,614.48	12,405.00	414.15	17,000.00	471,433.63
July	471,433.63	12,405.00	417.93	0.00	484,256.56
August	484,256.56	12,405.00	429.15	0.00	497,090.71
September	497,090.71	12,405.00	440.38	0.00	509,936.09
October	509,936.09	12,405.00	420.90	70,224.00	452,537.99
November	452,537.99	12,405.00	401.40	0.00	465,344.39
December	465,344.39	12,405.00	412.60	0.00	478,161.99
	411,649	148,860	4,876	87,224	478,161

2031	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 478,161.99	$ 12,405.00	$ 423.82	$ 0.00	$ 490,990.81
February	490,990.81	12,405.00	435.04	0.00	503,830.85
March	503,830.85	12,405.00	446.28	0.00	516,682.13
April	516,682.13	12,405.00	457.52	0.00	529,544.65
May	529,544.65	12,405.00	468.78	0.00	542,418.43
June	542,418.43	12,405.00	468.29	26,854.00	528,437.72
July	528,437.72	12,405.00	467.81	0.00	541,310.53
August	541,310.53	12,405.00	479.07	0.00	554,194.60
September	554,194.60	12,405.00	475.06	34,931.60	532,143.06
October	532,143.06	12,405.00	471.05	0.00	545,019.11
November	545,019.11	12,405.00	453.75	65,295.00	492,582.86
December	492,582.86	12,405.00	436.44	0.00	505,424.30
	478,161	148,860	5,482	127,080	505,424

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2032	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 505,424.30	$ 12,405.00	$ 447.67	$ 0.00	$ 518,276.97
February	518,276.97	12,405.00	458.92	0.00	531,140.89
March	531,140.89	12,405.00	470.18	0.00	544,016.07
April	544,016.07	12,405.00	481.44	0.00	556,902.51
May	556,902.51	12,405.00	492.72	0.00	569,800.23
June	569,800.23	12,405.00	371.64	302,554.00	280,022.87
July	280,022.87	12,405.00	250.45	0.00	292,678.32
August	292,678.32	12,405.00	261.52	0.00	305,344.84
September	305,344.84	12,405.00	265.95	15,201.00	302,814.79
October	302,814.79	12,405.00	270.39	0.00	315,490.18
November	315,490.18	12,405.00	281.48	0.00	328,176.66
December	328,176.66	12,405.00	292.58	0.00	340,874.24
	505,424	148,860	4,344	317,755	340,874

2033	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 340,874.24	$ 12,405.00	$ 303.69	$ 0.00	$ 353,582.93
February	353,582.93	12,405.00	314.81	0.00	366,302.74
March	366,302.74	12,405.00	325.94	0.00	379,033.68
April	379,033.68	12,405.00	337.08	0.00	391,775.76
May	391,775.76	12,405.00	348.23	0.00	404,528.99
June	404,528.99	12,405.00	359.39	0.00	417,293.38
July	417,293.38	12,405.00	370.56	0.00	430,068.94
August	430,068.94	12,405.00	381.74	0.00	442,855.68
September	442,855.68	12,405.00	385.05	18,000.00	437,645.73
October	437,645.73	12,405.00	384.26	9,386.00	441,048.99
November	441,048.99	12,405.00	391.35	0.00	453,845.34
December	453,845.34	12,405.00	400.48	4,716.00	461,934.82
	340,874	148,860	4,302	32,102	461,934

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2034	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 461,934.82	$ 12,405.00	$ 409.62	$ 0.00	$ 474,749.44
February	474,749.44	12,405.00	420.83	0.00	487,575.27
March	487,575.27	12,405.00	432.06	0.00	500,412.33
April	500,412.33	12,405.00	443.29	0.00	513,260.62
May	513,260.62	12,405.00	454.53	0.00	526,120.15
June	526,120.15	12,405.00	315.74	342,955.00	195,885.89
July	195,885.89	12,405.00	176.83	0.00	208,467.72
August	208,467.72	12,405.00	187.84	0.00	221,060.56
September	221,060.56	12,405.00	188.08	24,640.00	209,013.64
October	209,013.64	12,405.00	188.31	0.00	221,606.95
November	221,606.95	12,405.00	199.33	0.00	234,211.28
December	234,211.28	12,405.00	210.36	0.00	246,826.64
	461,934	148,860	3,626	367,595	246,826

2035	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 246,826.64	$ 12,405.00	$ 108.09	$ 259,000.00	$ 339.73
February	339.73	12,405.00	3.80	4,402.65	8,345.88
March	8,345.88	12,405.00	12.73	0.00	20,763.61
April	20,763.61	12,405.00	23.60	0.00	33,192.21
May	33,192.21	12,405.00	34.47	0.00	45,631.68
June	45,631.68	12,405.00	41.06	9,809.85	48,267.89
July	48,267.89	12,405.00	47.66	0.00	60,720.55
August	60,720.55	12,405.00	58.56	0.00	73,184.11
September	73,184.11	12,405.00	51.89	40,176.10	45,464.90
October	45,464.90	12,405.00	45.21	0.00	57,915.11
November	57,915.11	12,405.00	56.10	0.00	70,376.21
December	70,376.21	12,405.00	67.01	0.00	82,848.22
	246,826	148,860	550	313,388	82,848

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2036	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 82,848.22	$ 12,405.00	$ 77.92	$ 0.00	$ 95,331.14
February	95,331.14	12,405.00	88.84	0.00	107,824.98
March	107,824.98	12,405.00	99.77	0.00	120,329.75
April	120,329.75	12,405.00	110.72	0.00	132,845.47
May	132,845.47	12,405.00	121.67	0.00	145,372.14
June	145,372.14	12,405.00	132.63	0.00	157,909.77
July	157,909.77	12,405.00	143.60	0.00	170,458.37
August	170,458.37	12,405.00	154.58	0.00	183,017.95
September	183,017.95	12,405.00	165.57	0.00	195,588.52
October	195,588.52	12,405.00	176.57	0.00	208,170.09
November	208,170.09	12,405.00	187.58	0.00	220,762.67
December	220,762.67	12,405.00	198.59	0.00	233,366.26
	82,848	148,860	1,658	0	233,366

2037	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 233,366.26	$ 12,405.00	$ 209.62	$ 0.00	$ 245,980.88
February	245,980.88	12,405.00	220.66	0.00	258,606.54
March	258,606.54	12,405.00	229.91	4,119.00	267,122.45
April	267,122.45	12,405.00	239.16	0.00	279,766.61
May	279,766.61	12,405.00	250.22	0.00	292,421.83
June	292,421.83	12,405.00	139.25	278,957.10	26,008.98
July	26,008.98	12,405.00	28.19	0.00	38,442.17
August	38,442.17	12,405.00	39.06	0.00	50,886.23
September	50,886.23	12,405.00	49.95	0.00	63,341.18
October	63,341.18	12,405.00	60.85	0.00	75,807.03
November	75,807.03	12,405.00	71.76	0.00	88,283.79
December	88,283.79	12,405.00	82.68	0.00	100,771.47
	233,366	148,860	1,621	283,076	100,771

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Cash Flow - Monthly

2038	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 100,771.47	$ 12,405.00	$ 93.60	$ 0.00	$ 113,270.07
February	113,270.07	12,405.00	104.54	0.00	125,779.61
March	125,779.61	12,405.00	102.31	30,116.50	108,170.42
April	108,170.42	12,405.00	100.08	0.00	120,675.50
May	120,675.50	12,405.00	111.02	0.00	133,191.52
June	133,191.52	12,405.00	121.97	0.00	145,718.49
July	145,718.49	12,405.00	129.73	7,320.00	150,933.22
August	150,933.22	12,405.00	137.49	0.00	163,475.71
September	163,475.71	12,405.00	140.59	18,000.00	158,021.30
October	158,021.30	12,405.00	143.70	0.00	170,570.00
November	170,570.00	12,405.00	154.68	0.00	183,129.68
December	183,129.68	12,405.00	165.67	0.00	195,700.35
	100,771	148,860	1,505	55,436	195,700

2039	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 195,700.35	$ 12,405.00	$ 176.66	$ 0.00	$ 208,282.01
February	208,282.01	12,405.00	187.67	0.00	220,874.68
March	220,874.68	12,405.00	198.69	0.00	233,478.37
April	233,478.37	12,405.00	209.72	0.00	246,093.09
May	246,093.09	12,405.00	220.76	0.00	258,718.85
June	258,718.85	12,405.00	231.81	0.00	271,355.66
July	271,355.66	12,405.00	240.54	5,315.50	278,685.70
August	278,685.70	12,405.00	249.28	0.00	291,339.98
September	291,339.98	12,405.00	258.70	3,776.10	300,227.58
October	300,227.58	12,405.00	268.13	0.00	312,900.71
November	312,900.71	12,405.00	279.22	0.00	325,584.93
December	325,584.93	12,405.00	290.31	0.00	338,280.24
	195,700	148,860	2,811	9,091	338,280

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2040	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 338,280.24	$ 12,405.00	$ 301.42	$ 0.00	$ 350,986.66
February	350,986.66	12,405.00	312.54	0.00	363,704.20
March	363,704.20	12,405.00	323.67	0.00	376,432.87
April	376,432.87	12,405.00	334.81	0.00	389,172.68
May	389,172.68	12,405.00	345.95	0.00	401,923.63
June	401,923.63	12,405.00	229.05	292,700.00	121,857.68
July	121,857.68	12,405.00	112.05	0.00	134,374.73
August	134,374.73	12,405.00	123.01	0.00	146,902.74
September	146,902.74	12,405.00	133.97	0.00	159,441.71
October	159,441.71	12,405.00	144.94	0.00	171,991.65
November	171,991.65	12,405.00	155.92	0.00	184,552.57
December	184,552.57	12,405.00	166.91	0.00	197,124.48
	338,280	148,860	2,684	292,700	197,124

2041	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 197,124.48	$ 12,405.00	$ 177.91	$ 0.00	$ 209,707.39
February	209,707.39	12,405.00	188.92	0.00	222,301.31
March	222,301.31	12,405.00	199.94	0.00	234,906.25
April	234,906.25	12,405.00	210.97	0.00	247,522.22
May	247,522.22	12,405.00	222.01	0.00	260,149.23
June	260,149.23	12,405.00	233.06	0.00	272,787.29
July	272,787.29	12,405.00	244.12	0.00	285,436.41
August	285,436.41	12,405.00	255.18	0.00	298,096.59
September	298,096.59	12,405.00	252.63	31,155.50	279,598.72
October	279,598.72	12,405.00	219.35	70,224.00	221,999.07
November	221,999.07	12,405.00	199.68	0.00	234,603.75
December	234,603.75	12,405.00	210.71	0.00	247,219.46
	197,124	148,860	2,614	101,379	247,219

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Cash Flow - Monthly

2042	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 247,219.46	$ 12,405.00	$ 221.74	$ 0.00	$ 259,846.20
February	259,846.20	12,405.00	232.79	0.00	272,483.99
March	272,483.99	12,405.00	243.85	0.00	285,132.84
April	285,132.84	12,405.00	254.92	0.00	297,792.76
May	297,792.76	12,405.00	266.00	0.00	310,463.76
June	310,463.76	12,405.00	274.02	7,000.00	316,142.78
July	316,142.78	12,405.00	282.05	0.00	328,829.83
August	328,829.83	12,405.00	293.15	0.00	341,527.98
September	341,527.98	12,405.00	304.26	0.00	354,237.24
October	354,237.24	12,405.00	315.38	0.00	366,957.62
November	366,957.62	12,405.00	326.52	0.00	379,689.14
December	379,689.14	12,405.00	335.59	4,716.00	387,713.73
	247,219	148,860	3,350	11,716	387,713

2043	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 387,713.73	$ 12,405.00	$ 344.68	$ 0.00	$ 400,463.41
February	400,463.41	12,405.00	355.83	0.00	413,224.24
March	413,224.24	12,405.00	367.00	0.00	425,996.24
April	425,996.24	12,405.00	378.17	0.00	438,779.41
May	438,779.41	12,405.00	389.36	0.00	451,573.77
June	451,573.77	12,405.00	394.19	14,550.00	449,822.96
July	449,822.96	12,405.00	399.02	0.00	462,626.98
August	462,626.98	12,405.00	410.23	0.00	475,442.21
September	475,442.21	12,405.00	405.26	36,977.10	451,275.37
October	451,275.37	12,405.00	400.29	0.00	464,080.66
November	464,080.66	12,405.00	411.50	0.00	476,897.16
December	476,897.16	12,405.00	422.71	0.00	489,724.87
	387,713	148,860	4,678	51,527	489,724

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Cash Flow - Monthly

2044	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 489,724.87	$ 12,405.00	$ 433.94	$ 0.00	$ 502,563.81
February	502,563.81	12,405.00	445.17	0.00	515,413.98
March	515,413.98	12,405.00	456.41	0.00	528,275.39
April	528,275.39	12,405.00	467.67	0.00	541,148.06
May	541,148.06	12,405.00	478.93	0.00	554,031.99
June	554,031.99	12,405.00	490.21	0.00	566,927.20
July	566,927.20	12,405.00	501.49	0.00	579,833.69
August	579,833.69	12,405.00	512.78	0.00	592,751.47
September	592,751.47	12,405.00	524.08	0.00	605,680.55
October	605,680.55	12,405.00	535.40	0.00	618,620.95
November	618,620.95	12,405.00	546.72	0.00	631,572.67
December	631,572.67	12,405.00	558.05	0.00	644,535.72
	489,724	148,860	5,950	0	644,535

2045	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 644,535.72	$ 12,405.00	$ 569.40	$ 0.00	$ 657,510.12
February	657,510.12	12,405.00	578.82	4,402.65	666,091.29
March	666,091.29	12,405.00	588.26	0.00	679,084.55
April	679,084.55	12,405.00	599.63	0.00	692,089.18
May	692,089.18	12,405.00	611.01	0.00	705,105.19
June	705,105.19	12,405.00	597.05	57,931.50	660,175.74
July	660,175.74	12,405.00	583.08	0.00	673,163.82
August	673,163.82	12,405.00	594.45	0.00	686,163.27
September	686,163.27	12,405.00	605.82	0.00	699,174.09
October	699,174.09	12,405.00	617.20	0.00	712,196.29
November	712,196.29	12,405.00	628.60	0.00	725,229.89
December	725,229.89	12,405.00	640.00	0.00	738,274.89
	644,535	148,860	7,213	62,334	738,274

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Cash Flow - Monthly

2046	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 738,274.89	$ 12,405.00	$ 651.42	$ 0.00	$ 751,331.31
February	751,331.31	12,405.00	662.84	0.00	764,399.15
March	764,399.15	12,405.00	672.47	4,119.00	773,357.62
April	773,357.62	12,405.00	682.12	0.00	786,444.74
May	786,444.74	12,405.00	693.57	0.00	799,543.31
June	799,543.31	12,405.00	675.02	68,578.00	744,045.33
July	744,045.33	12,405.00	656.47	0.00	757,106.80
August	757,106.80	12,405.00	667.90	0.00	770,179.70
September	770,179.70	12,405.00	648.76	69,880.00	713,353.46
October	713,353.46	12,405.00	629.61	0.00	726,388.07
November	726,388.07	12,405.00	641.02	0.00	739,434.09
December	739,434.09	12,405.00	652.43	0.00	752,491.52
	738,274	148,860	7,933	142,577	752,491

2047	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 752,491.52	$ 12,405.00	$ 663.86	$ 0.00	$ 765,560.38
February	765,560.38	12,405.00	675.29	0.00	778,640.67
March	778,640.67	12,405.00	686.74	0.00	791,732.41
April	791,732.41	12,405.00	698.19	0.00	804,835.60
May	804,835.60	12,405.00	709.66	0.00	817,950.26
June	817,950.26	12,405.00	715.96	11,825.00	819,246.22
July	819,246.22	12,405.00	722.27	0.00	832,373.49
August	832,373.49	12,405.00	715.13	42,558.00	802,935.62
September	802,935.62	12,405.00	694.79	30,176.10	785,859.31
October	785,859.31	12,405.00	688.95	9,386.00	789,567.26
November	789,567.26	12,405.00	696.30	0.00	802,668.56
December	802,668.56	12,405.00	707.76	0.00	815,781.32
	752,491	148,860	8,374	93,945	815,781

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Cash Flow - Monthly

2048	Begining Balance	Contribution	Interest Earned	Expenditures	Ending Balance
January	$ 815,781.32	$ 12,405.00	$ 719.24	$ 0.00	$ 828,905.56
February	828,905.56	12,405.00	730.72	0.00	842,041.28
March	842,041.28	12,405.00	742.21	0.00	855,188.49
April	855,188.49	12,405.00	753.72	0.00	868,347.21
May	868,347.21	12,405.00	765.23	0.00	881,517.44
June	881,517.44	12,405.00	616.02	367,402.50	527,135.96
July	527,135.96	12,405.00	463.47	7,320.00	532,684.43
August	532,684.43	12,405.00	471.53	0.00	545,560.96
September	545,560.96	12,405.00	474.92	18,000.00	540,440.88
October	540,440.88	12,405.00	478.31	0.00	553,324.19
November	553,324.19	12,405.00	489.59	0.00	566,218.78
December	566,218.78	12,405.00	500.87	0.00	579,124.65
	815,781	148,860	7,205	392,722	579,124

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Cash Flow - Annual

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/22 - 12/22	$ 272,181.00	$ 148,860.00	$ 3,413.25	$ 73,040.00	$ 351,414.25
01/23 - 12/23	351,414.25	148,860.00	4,222.56	75,558.00	428,938.81
01/24 - 12/24	428,938.81	148,860.00	3,395.01	347,091.00	234,102.82
01/25 - 12/25	234,102.82	148,860.00	2,989.09	50,652.65	335,299.26
01/26 - 12/26	335,299.26	148,860.00	1,747.29	254,650.00	231,256.55
01/27 - 12/27	231,256.55	148,860.00	2,663.30	86,101.48	296,678.37
01/28 - 12/28	296,678.37	148,860.00	3,789.24	29,439.00	419,888.61
01/29 - 12/29	419,888.61	148,860.00	4,276.43	161,375.50	411,649.54
01/30 - 12/30	411,649.54	148,860.00	4,876.45	87,224.00	478,161.99
01/31 - 12/31	478,161.99	148,860.00	5,482.91	127,080.60	505,424.30
	272,181.00	1,488,600.00	36,855.53	1,292,212.23	505,424.30

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/32 - 12/32	$ 505,424.30	$ 148,860.00	$ 4,344.94	$ 317,755.00	$ 340,874.24
01/33 - 12/33	340,874.24	148,860.00	4,302.58	32,102.00	461,934.82
01/34 - 12/34	461,934.82	148,860.00	3,626.82	367,595.00	246,826.64
01/35 - 12/35	246,826.64	148,860.00	550.18	313,388.60	82,848.22
01/36 - 12/36	82,848.22	148,860.00	1,658.04	0.00	233,366.26
01/37 - 12/37	233,366.26	148,860.00	1,621.31	283,076.10	100,771.47
01/38 - 12/38	100,771.47	148,860.00	1,505.38	55,436.50	195,700.35
01/39 - 12/39	195,700.35	148,860.00	2,811.49	9,091.60	338,280.24
01/40 - 12/40	338,280.24	148,860.00	2,684.24	292,700.00	197,124.48
01/41 - 12/41	197,124.48	148,860.00	2,614.48	101,379.50	247,219.46
	505,424.30	1,488,600.00	25,719.46	1,772,524.30	247,219.46

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

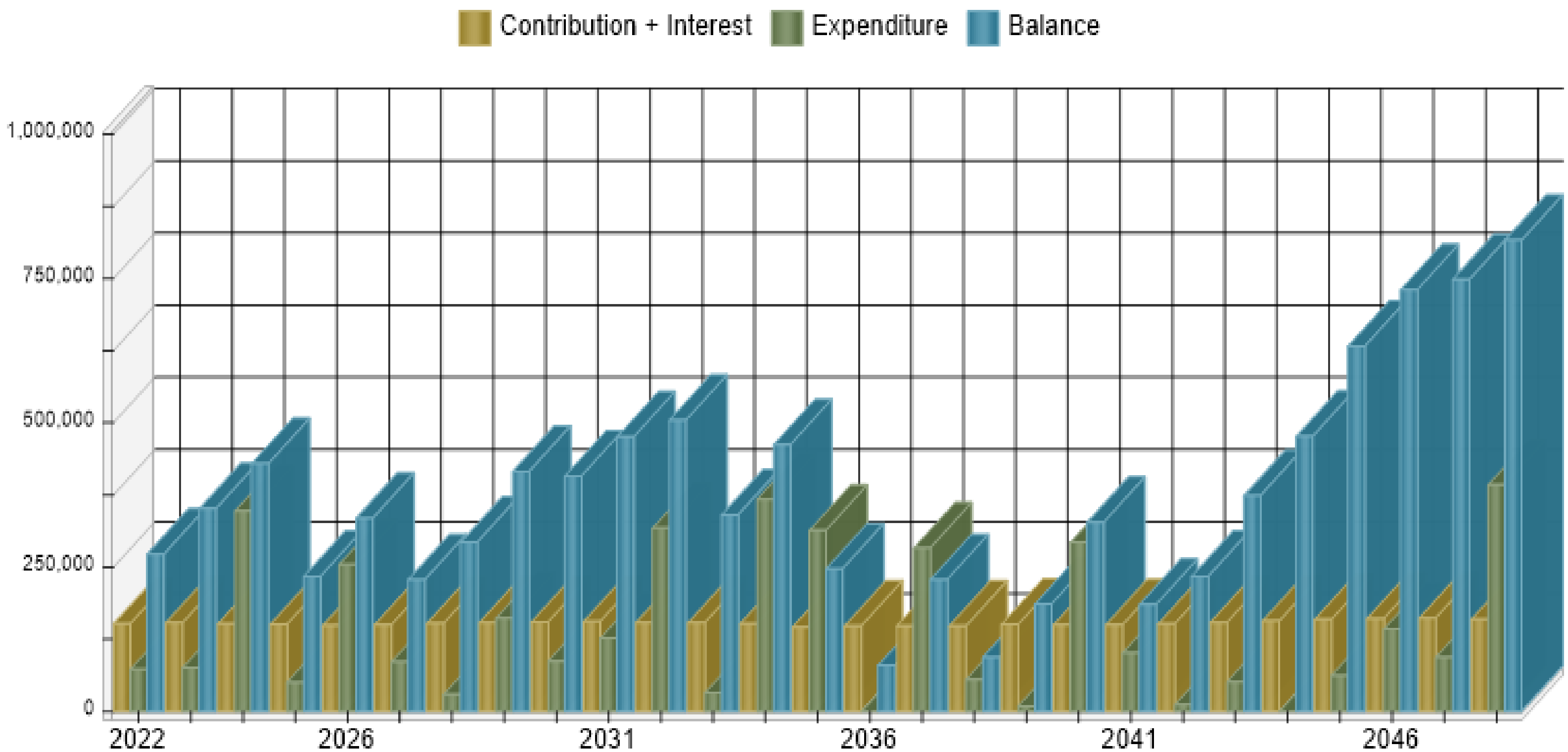
Cash Flow - Annual

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/42 - 12/42	$ 247,219.46	$ 148,860.00	$ 3,350.27	$ 11,716.00	$ 387,713.73
01/43 - 12/43	387,713.73	148,860.00	4,678.24	51,527.10	489,724.87
01/44 - 12/44	489,724.87	148,860.00	5,950.85	0.00	644,535.72
01/45 - 12/45	644,535.72	148,860.00	7,213.32	62,334.15	738,274.89
01/46 - 12/46	738,274.89	148,860.00	7,933.63	142,577.00	752,491.52
01/47 - 12/47	752,491.52	148,860.00	8,374.90	93,945.10	815,781.32
01/48 - 12/48	815,781.32	148,860.00	7,205.83	392,722.50	579,124.65
	247,219.46	1,042,020.00	44,707.04	754,821.85	579,124.65

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Cash Flow - Chart



The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Supplementary Information

on Future Major Repairs and Replacements

	Estimated Remaining Useful Lives Life YY:MM	Estimated Current Replacement Cost	2022 Funding Requirement	Components of Fund Balance at 12/31/2021
Air Conditioning				
AC Units Elevator Room	3:01	$ 4,403	$ 412	$ 492
AC Units Kitchen	9:08	6,063	567	33
AC Units Maintenance	9:08	8,477	793	46
AC Units Men's Room	9:08	5,316	497	29
AC Units Unit 104	7:06	5,316	497	215
Package Unit Hallways	5:02	30,117	2,562	2,578
		59,692	5,328	3,393
Common Area Interiors				
Admin. Office Renovation	12:05	$ 5,600	$ 374	$ 102
Exercise Room/Equipment	8:05	17,000	1,591	434
Hallways Flooring	13:05 -24:05	72,611	2,427	1,955
Hallways Furnishings/Lighting	13:08	36,400	2,433	140
Hallways Wall/Door Finishes	9:05 -10:05	53,708	3,590	2,529
Lobby Level Furnishings/Carpet	12:05	54,575	3,648	996
Lobby Level Kitchen	21:05	14,550	545	337
Lobby Level Renovation (Long Range)	13:00	259,000	8,656	22,397
Lobby Level Restrooms	3:05	26,250	1,431	3,394
Lobby Level Wall/Door Finishes	11:09	9,386	627	243
		549,080	25,322	32,527

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Supplementary Information

on Future Major Repairs and Replacements

	Estimated Remaining Useful Lives Life YY:MM	Estimated Current Replacement Cost	2022 Funding Requirement	Components of Fund Balance at 12/31/2021
Mechanical/Electrical				
Domestic Water Pumps/Equipment	7:04	$ 25,260	$ 985	$ 2,832
Elevator Mechanical Modernization	12:05	282,780	8,821	26,753
Fire Alarm System Modernization	7:05	130,800	4,896	14,850
Fire Pump/Equipment	26:05	31,528	738	1,728
Generator/Equipment	9:10	65,295	2,350	6,554
Security (Access Control/Keypads)	9:08	11,300	1,057	61
Security (Video Surveillance)	10:08	15,201	1,293	74
Trash Chute	2:05	51,675	879	7,975
		613,839	21,019	60,827
Painting & Waterproofing				
Paint Stairway Interiors	24:08	$ 45,240	$ 1,693	$ 97
Paint/Waterproof Building Exteriors	2:05	275,700	32,249	31,059
		320,940	33,942	31,156
Parking Garage/Paving				
Asphalt Paving (Replacement)	1:07	$ 42,558	$ 1,983	$ 6,328
Asphalt Paving (Sealcoat/Rejuvenation)	5:08	3,776	487	133
Carports/Walkways Canopies	4:00	254,650	4,211	38,199
Parking Garage Lighting	0:05	7,000	328	6,854
Parking Garage Traffic Coating/Decking	8:09	70,224	5,974	2,319
		378,208	12,983	53,833

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Supplementary Information

on Future Major Repairs and Replacements

	Estimated Remaining Useful Lives Life YY:MM	Estimated Current Replacement Cost	2022 Funding Requirement	Components of Fund Balance at 12/31/2021
Plumbing				
Plumbing (Stack Cleaning)	1:08	$ 18,000	$ 3,743	$ 1,829
Plumbing, (Stack Replacement)	0:08 - 3:08	60,000	31,551	5,000
		78,000	35,294	6,829
Pool				
Deck Furniture	6:06	$ 7,320	$ 685	$ 414
Decking	0:08	26,400	907	25,754
Equipment Allowance	3:05	5,000	468	531
Heater (Electric)	2:11	4,716	490	515
Heater (Gas)	6:02	4,119	428	209
Interior Resurfacing	0:08	24,640	1,293	23,719
		72,195	4,271	51,142
Roofing				
Entry Canopies Roofing	5:05	$ 11,825	$ 553	$ 1,392
Tower Roofing (Coating)	5:05	40,384	3,779	2,988
Tower Roofing (Replacement)	15:05	278,957	6,367	28,097
		331,166	10,699	32,477
		2,403,120	148,858	272,184

COMPONENT FUNDING ANALYSIS

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Component Funding Analysis - Category

Category	Useful Life	Remaining Life	12/31/2021 Balance	Estimated Replacement Cost	Unfunded Balance	Contribution
Air Conditioning	10 - 11	3 - 9	$ 3,387	$ 59,690	$ 56,302	$ 9,757
Common Area Interiors	10 - 28	3 - 24	30,761	549,080	518,318	45,847
Mechanical/Electrical	10 - 40	2 - 26	56,884	613,838	556,953	74,069
Painting & Waterproofing	8 - 25	2 - 24	30,600	320,940	290,339	124,558
Parking Garage/Paving	4 - 40	0 - 8	50,631	378,208	327,576	100,758
Plumbing	1 - 5	0 - 3	16,982	78,000	61,017	43,517
Pool	9 - 25	0 - 6	52,719	72,195	19,475	5,387
Roofing	10 - 20	5 - 15	30,213	331,165	300,952	26,456
			272,181	2,403,118	2,130,937	430,349

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Component Funding Analysis - Items

Category Reserve Item	Useful Life	Remaining Life	12/31/2021 Balance	Estimated Replacement Cost	Unfunded Balance	Contribution
Air Conditioning						
AC Units Elevator Room	10	3	$ 450	$ 4,402	$ 3,952	$ 1,317
AC Units Kitchen	10	9	91	6,063	5,971	663
AC Units Maintenance	10	9	125	8,477	8,351	928
AC Units Men's Room	10	9	77	5,315	5,238	582
AC Units Unit 104	10	7	232	5,315	5,083	726
Package Unit Hallways	11	5	2,409	30,116	27,706	5,541
			3,387	59,690	56,302	9,757
Common Area Interiors						
Admin. Office Renovation	14	12	$ 116	$ 5,600	$ 5,483	$ 457
Exercise Room/Equipment	10	8	499	17,000	16,500	2,063
Hallways Flooring	28	13 - 24	1,936	72,611	70,674	3,147
Hallways Furnishings/Lighting	14	13	382	36,400	36,017	2,771
Hallways Wall/Door Finishes	14	9 - 10	2,527	53,708	51,180	5,401
Lobby Level Furnishings/Carpet	14	12	1,146	54,575	53,428	4,452
Lobby Level Kitchen	25	21	342	14,550	14,207	677
Lobby Level Renovation (Long Range)	28	13	20,353	259,000	238,646	18,357
Lobby Level Restrooms	2 8	3	3,163	26,250	23,086	7,695
Lobby Level Wall/Door Finishes	14	11	293	9,386	9,092	827
			30,761	549,080	518,318	45,847
Mechanical/Electrical						
Domestic Water Pumps/Equipment	24	7	$ 2,623	$ 25,260	$ 22,636	$ 3,234
Elevator Mechanical Modernization	30	12	24,887	282,780	257,892	21,491
Fire Alarm System Modernization	25	7	13,813	130,800	116,986	16,712
Fire Pump/Equipment	40	26	1,620	31,527	29,907	1,150
Generator/Equipment	26	9	6,265	65,295	59,029	6,559

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Component Funding Analysis - Items

Category / Reserve Item	Useful Life	Remaining Life	12/31/2021 Balance	Estimated Replacement Cost	Unfunded Balance	Contribution
Security (Access Control/Keypads)	10	9	$ 167	$ 11,300	$ 11,132	$ 1,237
Security (Video Surveillance)	11	10	203	15,201	14,997	1,500
Trash Chute	40	2	7,303	51,675	44,371	22,186
			56,884	613,838	556,953	74,069
Painting & Waterproofing						
Paint Stairway Interiors	25	24	$ 267	$ 45,240	$ 44,972	$ 1,874
Paint/Waterproof Building Exteriors	8	2	30,332	275,700	245,367	122,684
			30,600	320,940	290,339	124,558
Parking Garage/Paving						
Asphalt Paving (Replacement)	20	1	$ 5,929	$ 42,558	$ 36,628	$ 36,628
Asphalt Paving (Sealcoat/Rejuvenation)	4	5	157	3,776	3,618	724
Carports/Walkways Canopies	40	4	34,734	254,650	219,915	54,979
Parking Garage Lighting	20	0	7,000	7,000	0	0
Parking Garage Traffic Coating/Decking	11	8	2,809	70,224	67,414	8,427
			50,631	378,208	327,576	100,758
Plumbing						
Plumbing (Stack Cleaning)	4	1	$ 1,982	$ 18,000	$ 16,017	$ 16,017
Plumbing, (Stack Replacement)	1	0 - 3	15,000	60,000	45,000	27,500
			16,982	78,000	61,017	43,517
Pool						
Deck Furniture	10	6	$ 426	$ 7,320	$ 6,893	$ 1,149
Decking	25	0	26,400	26,400	0	0
Equipment Allowance	10	3	512	5,000	4,487	1,496
Heater (Electric)	9	2	538	4,716	4,177	2,089
Heater (Gas)	9	6	202	4,119	3,916	653

The Royal St. Andrew Association, Inc.

Analysis Date - January 1, 2022

Component Funding Analysis - Items

Category Reserve Item	Useful Life	Remaining Life	12/31/2021 Balance	Estimated Replacement Cost	Unfunded Balance	Contribution
Interior Resurfacing	12	0	$ 24,640	$ 24,640	$ 0	$ 0
			52,719	72,195	19,475	5,387
Roofing						
Entry Canopies Roofing	20	5	$ 1,302	$ 11,825	$ 10,522	$ 2,104
Tower Roofing (Coating)	10	5	2,960	40,383	37,423	7,485
Tower Roofing (Replacement)	20	15	25,949	278,957	253,007	16,867
			30,213	331,165	300,952	26,456
			272,181	2,403,118	2,130,937	430,349

ADDENDUM

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.

<u>Chapter 61B – 22, Florida Administrative Code</u>
<u>Summary of Rule Amendments</u>

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.

<u>Amended Rule Text</u>

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.

> AFB = Current Cost X Effective Age/Useful Life
>
> **or**
>
> AFB = (Current Cost X Effective Age/Useful Life) + [(Current Cost X Effective Age/Useful Life)/(1 + Interest Rate) ^ Remaining Life] – [(Current Cost X Effective Age/Useful Life) /(1 + Inflation Rate) ^ 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".

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

<u>CURRENT REPLACEMENT COST</u>: See "Replacement Cost".

<u>DEFERRED MAINTENANCE</u>: 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.

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

<u>EFFECTIVE AGE:</u> The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

<u>FINANCIAL ANALYSIS</u>: 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.

<u>FULLY FUNDED</u>: 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).

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

<u>FUNDING PLAN</u>: An association's plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

<u>FUNDING PRINCIPLES</u>:

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

<u>FUNDING GOALS</u>: 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 mount 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 of 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; expect 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.

ANNUAL UPDATE PROGRAM

Some associations prefer periodic updates of their Sedgwick Valuation Services reserve study reports, while many others rely on our annual update program to provide them with yearly unbiased third party estimates of reserve funding. Sedgwick Valuation Services is pleased to offer your association our three year annual update program.

Program Benefits:

- Annual reserve study updates provide a written validation of reserve study needs, and demonstrate due diligence and impartiality on the part of the board of directors. As the board of directors has a fiduciary duty to provide estimates of full statutory reserve funding as a portion of the annual budget, a Sedgwick Valuation Services reserve study report also minimizes liability of the board of directors for an incorrect/improper estimate of full statutory reserve funding.

- Saves considerable time for management/board of directors that would otherwise be responsible for estimating statutory reserve funding. That allows more time for day to day operations and annual operating budget estimations.

- Because the update program does not require on-site re-inspections, the annual cost to the association is much lower.

The annual update program fee is valid only if there are no significant changes to the property (i.e. new construction, additions, major interior upgrades and/or interior reconfigurations, etc.) Changes to the property within the three-year update program period may require a re-inspection of the property at a higher fee.

If you have any questions, please contact our bid proposal specialist at (407) 805-0086 x 257 or (800) 248-3379 x 257 (FL only). You can review a sample update reserve study report and request a proposal at our on-line sample site www.sedgwick.com/valuation-services. We will be pleased to provide you with a proposal. Thanks again for your continued support – we appreciate your business very much!