

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.

(A Not-for-Profit Corporation)

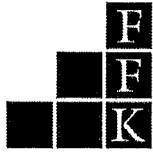
FINANCIAL STATEMENTS

DECEMBER 31, 2019

**FRIEDMAN, FELDMESSER & KARPELES, CPA, LLC
CERTIFIED PUBLIC ACCOUNTANTS**

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FRIEDMAN, FELDMESSER & KARPELES CPA LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Kenneth R. Friedman, CPA
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To the Board of Directors
North Fork Property Owners' Association Inc.
Jupiter, Florida

We have reviewed the accompanying balance sheet of North Fork Property Owners' Association, Inc. as of December 31, 2019, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Association management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 7 to the financial statements, in 2019, the entity adopted a new guidance that resulted in changes to the entity's accounting policies for maintenance assessment revenue recognition and deferred reserve assessments. Our conclusion is not modified with respect to this matter.

The supplementary information about future repairs and replacements on page 10 is not a required part of the basic financial statements but is supplementary information required by the American Institute of Certified Public Accountants. We have compiled the supplementary information from information that is the representation of management of North Fork Property Owners' Association, Inc., without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Friedman, Feldmesser & Karpeles, CPA, LLC
May 12, 2020

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
(A Not-for-Profit Corporation)
BALANCE SHEET
DECEMBER 31, 2019

	OPERATING FUND	REPLACEMENT FUND	TOTAL
ASSETS			
Cash and cash equivalents	\$ 131,964	\$ 25,226	\$ 157,190
Certificate of deposit	-	189,959	189,959
Assessments receivable	76	-	76
Accounts receivable - other	24	-	24
Prepaid insurance	6,529	-	6,529
Prepaid expense	9,698	-	9,698
TOTAL ASSETS	<u>\$ 148,291</u>	<u>\$ 215,185</u>	<u>\$ 363,476</u>
LIABILITIES AND MEMBERS' EQUITY			
LIABILITIES			
Accounts payable and accrued expenses	\$ 12,537	\$ -	\$ 12,537
Prepaid maintenance assessments	19,991	-	19,991
Deferred reserve assessments revenue	-	178,983	178,983
TOTAL LIABILITIES	<u>32,528</u>	<u>178,983</u>	<u>211,511</u>
MEMBERS' EQUITY			
Fund balances	<u>115,763</u>	<u>36,202</u>	<u>151,965</u>
MEMBERS' EQUITY	<u>115,763</u>	<u>36,202</u>	<u>151,965</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 148,291</u>	<u>\$ 215,185</u>	<u>\$ 363,476</u>

The accompanying notes are an integral part of these statements.

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
(A Not-for-Profit Corporation)
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2019

	OPERATING FUND	REPLACEMENT FUND	TOTAL
REVENUES			
Maintenance assessments	\$ 158,170	\$ 24,993	\$ 183,163
Cable income	110,250	-	110,250
Security income	10,879	-	10,879
Application fees	1,500	-	1,500
Owner interest	250	-	250
Interest income	689	3,047	3,736
Other income	509	-	509
	<hr/>	<hr/>	<hr/>
Total Revenues	282,247	28,040	310,287
	<hr/>	<hr/>	<hr/>
EXPENSES			
Application fees	400	-	400
Cable	109,487	-	109,487
Electricity	6,286	-	6,286
Fees to state	61	-	61
Gate maintenance	1,741	-	1,741
General repairs and maintenance	600	-	600
Holiday lights	3,540	-	3,540
Insurance - D&O	1,458	-	1,458
Insurance - Liab - West Amenities	580	-	580
Insurance - Liability	6,236	-	6,236
Irrigation repairs	1,804	-	1,804
Lake fountain service (quarterly)	975	-	975
Landscape extras	5,619	-	5,619
Lawn maintenance	49,464	-	49,464
Lighting repairs	1,390	-	1,390
Management fee	21,204	-	21,204
Meeting facility	646	-	646
Moorings Electric/ Water	496	-	496
Newsletter/ communications	618	-	618
Office supplies	1,960	-	1,960
Pool fountain maintenance	1,000	-	1,000
Pool fountain repairs	280	-	280
Professional fees	4,408	-	4,408
Security expense	10,260	-	10,260
Telephone	1,260	-	1,260
Tree trimming	4,146	-	4,146
Water	1,206	-	1,206
West side - Repairs and maintenance	254	-	254
Replacement fund expenses	-	24,993	24,993
	<hr/>	<hr/>	<hr/>
Total Expenses	237,379	24,993	262,372
	<hr/>	<hr/>	<hr/>
EXCESS OF REVENUES OVER EXPENSES	44,868	3,047	47,915
BEGINNING FUND BALANCES	90,895	13,155	104,050
INTERFUND TRANSFERS	(20,000)	20,000	-
	<hr/>	<hr/>	<hr/>
ENDING FUND BALANCES	\$ 115,763	\$ 36,202	\$ 151,965
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The accompanying notes are an integral part of these statements.

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
(A Not-for-Profit Corporation)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

	OPERATING FUND	REPLACEMENT FUND	TOTAL
OPERATING ACTIVITIES:			
Maintenance assessments collected	\$ 158,897	\$ 67,500	\$ 226,397
Cable income	110,250	-	110,250
Security income	10,879	-	10,879
Application fees	1,500	-	1,500
Owner interest	250	-	250
Interest income	689	3,047	3,736
Other income	509	-	509
Cash paid to suppliers of goods and services	(229,063)	(30,785)	(259,848)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	53,911	39,762	93,673
FINANCING ACTIVITIES			
Interfund transfer	(20,000)	20,000	-
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(20,000)	20,000	-
INVESTING ACTIVITIES			
Purchase of certificate of deposit	-	(189,959)	(189,959)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-	(189,959)	(189,959)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33,911	(130,197)	(96,286)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	98,053	155,423	253,476
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 131,964</u>	<u>\$ 25,226</u>	<u>\$ 157,190</u>
RECONCILIATION OF EXCESS OF REVENUES OVER EXPENDITURES TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Excess of revenues over expenditures	\$ 44,868	\$ 3,047	\$ 47,915
(INCREASE) DECREASE IN:			
Assessments receivable	572	-	572
Accounts receivable - other	12	-	12
Prepaid insurance	(90)	-	(90)
Prepaid expense	(414)	-	(414)
INCREASE (DECREASE) IN:			
Accounts payable and accrued expenses	10,788	(5,792)	4,996
Prepaid maintenance assessments	155	-	155
Deferred revenue - cable incentive	(1,980)	-	(1,980)
Deferred reserve assessments revenue	-	42,507	42,507
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 53,911</u>	<u>\$ 39,762</u>	<u>\$ 93,673</u>

The accompanying notes are an integral part of these statements.

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 – ORGANIZATION

North Fork Property Owners' Association, Inc. ("The Association") a Florida not-for-profit corporation, was incorporated in January 5, 1990, for the purpose of operating as a Homeowners' Association in Jupiter, Florida. The Association consists of 95 residential lots on the East side and 37 residential lots on the West side, a total of 132 residential lots in controlling, regulating, managing, maintaining and conserving the common areas of the community as described in the Declaration of Covenants, Conditions and Restrictions and as recorded in the Articles of Incorporation and By-Laws. All policy decisions are formulated by the Board of Directors.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of North Fork Property Owners' Association, Inc. is presented to assist in understanding the Association's financial statements. The financial statements and notes are representations of the Association's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied to the preparation of the financial statements.

Basis of Accounting

The accompanying financial statements include the assets, liabilities, fund balances, revenues, and expenses as determined using the accrual basis of accounting.

Funds

The Association is a not-for-profit organization which employs the fund method of accounting in order to properly account for restrictions on the expenditures resulting from actions of the Board of Directors, the Association voting membership, or applicable Florida Statute. The financial statements segregate the accounting for such funds as either Operating or Replacement Funds. At the end of the year, excess funds are retained by the fund generating such excess during the year.

The Operating Fund is used to account for financial resources available for the general operating of the Association. Disbursements from the Operating Fund are generally at the discretion of the Board of Directors and the Association's manager.

The Replacement Fund is generally used to account for assessments made for major repairs and replacements of common property, and related expenses. Disbursements from the Replacement Fund may only be utilized in accordance with Florida Statutes and the purposes established by the Board of Directors and the Association membership. Interest income allocated to the Replacement Fund is maintained as a separate component of reserves.

Cash and Cash Equivalents

The Association considers all highly liquid financial instruments with maturity of 90 days or less at the time of issuance, to be cash equivalents. For presentation purposes, cash and cash equivalents is comprised of a checking account and interest bearing checking accounts.

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Prepaid Insurance

Insurance premiums are expensed, prorata, over the coverage periods. Premiums representing coverage subsequent to the end of the year are recorded as prepaid expense.

Capitalization Policy and Depreciation

Ownership of the commonly owned assets is vested directly or indirectly in the unit owners and these assets are not deemed to be severable. Disposition of real and personal common property by the Association's Board of Directors is restricted. As a result, commonly owned assets are not capitalized in the Association's financial statements.

Deferred Reserve Assessments Revenue

The Association recognizes revenue from members as the related performance obligations are satisfied. A deferred reserve assessment is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of deferred reserve assessments as of the beginning and end of the year are \$136,476 (as restated-see Note 6) and \$178,983, respectively.

Revenue Recognition

Regular assessments to members are recognized as revenue during the period for which they are assessed. Assessments received in advance of this period are reported as prepaid assessments on the balance sheet.

Maintenance Assessments

Each homeowner is assessed a quarterly maintenance fee as determined by the Board of Directors based on an annual budget. The maintenance assessments shall be used for payment of the operation, maintenance, and management of the Association and the common property. A portion of the monthly maintenance assessments are collected on behalf of and remitted to the Master Property Owner Association. Additionally, the Association has the authority and power to levy and collect special assessments as determined by the Board of Directors and unit owners. The Association's policy is to retain legal counsel and place liens on units of members whose assessments are delinquent, which can be exercised through foreclosure proceedings. A reserve for doubtful accounts is established for delinquent accounts that still appear to be uncollectible after exhausting the aforementioned measures. Any excess assessments at year-end are retained by the Association for use in the following year.

Interest earned

The Association's policy is to allocate interest earned to the fund that holds the bank account.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Income Taxes

The Association may elect, on an annual basis to file its Federal income tax return as a homeowners' association, or as a corporation. Homeowners' associations pay tax only on non-exempt income, such as interest and other non pro-rata revenues less any related expenses. The Association has elected to file its 2019 federal income tax return on federal form 1120H under Section 528.

The Association follows the reporting and disclosure guidance for uncertainty in income taxes as defined in FASB ASC 740. The financial statement effects of a tax position taken or expected to be taken are recognized in the financial statement when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. As of December 31, 2019, the Association had no uncertain tax positions that qualify for recognition or disclosure in the financial statements. Generally, the Internal Revenue Service may review the returns for the past three years.

Subsequent Events

The subsequent events have been evaluated through May 12, 2020, the date the financial statements were available to be issued.

NOTE 3 – CONCENTRATION OF CREDIT RISK

The Association maintains cash balances in three financial institutions located in Palm Beach County, Florida. Accounts are insured at each institution by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2019, the Association had no uninsured cash balances.

NOTE 4 – CERTIFICATES OF DEPOSIT

At December 31, 2019, the Association had \$189,959 of Replacement Funds in a certificate of deposit at a financial institution. The term of this certificate of deposit is for 13 months, maturing on May 19, 2020, with an interest rate of 2.57%. The certificate is intended to be held to maturity.

NOTE 5 – DEFERRED CABLE REVENUE

On January 1, 2015, the Association executed a five year service agreement with a cable provider for broadband services to the Association. As an incentive to purchase the services, the Association received an incentive rebate in the amount of \$9,900. The rebate is being recognized annually in the amount of \$1,980 over the duration of the cable agreement with the unamortized portion recorded as deferred revenue. The amount recognized as revenue each year will be netted against the expense. As of December 31, 2019, the entire amount had been recognized.

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 6 – FUTURE MAJOR REPAIR AND REPLACEMENT FUNDS

The Association has not established statutory replacement fund components, either from the developer at time of turn-over or by an affirmative vote of the membership. The Association accumulates funds for capital improvements and major repairs and replacements. The funds are being accumulated in separate interest-bearing accounts based on estimates of future needs for repairs and replacements of common property components as determined by the Board of Directors and are generally not available for normal operations. In 2012, the Association conducted an independent reserve study to estimate the remaining useful lives and replacement costs of the components and received a comprehensive report thereon to be effective from January 1, 2013 forward, based on the cash flow (pooling) method. An update to this study was done in 2018. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

Replacement Fund balances at December 31, 2019, consist of the following:

COMPONENTS	Fund Balance 12/31/18	Deferred Reserve Balance 12/31/18	Budgeted Assessments	Interest Income	Expenses	Transfer	Deferred Reserve Balance 12/31/19	Fund Balance 12/31/19
General - pooled	\$ -	\$ 123,852	\$ 63,600	\$ -	\$ (22,088)	\$ 20,000	\$ 165,363	\$ 20,000
Interest	12,858		-	3,031	-	-	-	15,889
	<u>12,858</u>	<u>123,852</u>	<u>63,600</u>	<u>3,031</u>	<u>(22,088)</u>	<u>20,000</u>	<u>165,363</u>	<u>35,889</u>
West Recreation	-	12,625	3,900	-	(2,905)	-	13,620	-
Interest-W. Rec	297	-	-	17	-	-	-	313
	<u>297</u>	<u>12,625</u>	<u>3,900</u>	<u>17</u>	<u>(2,905)</u>	<u>-</u>	<u>13,620</u>	<u>313</u>
Fund Bal	<u>\$ 13,155</u>	<u>\$ 136,476</u>	<u>\$ 67,500</u>	<u>\$ 3,048</u>	<u>\$ (24,993)</u>	<u>\$ 20,000</u>	<u>\$ 178,983</u>	<u>\$ 36,202</u>

It is the Association's policy to accumulate interest earnings in the pooled reserves and apportion the interest based on year-end balances. The operating surplus amount of \$20,000 was transferred to the replacement general pooled fund and does not appear to have been done with a Board of Directors vote.

Pursuant to FASB ASC 606, the Association recognizes replacement fund revenue from members as the related performance obligation are satisfied. For the year ended December 31, 2019, the Association recognized \$24,993 of member assessment revenue.

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 7 - FASB ASC 606 NEW ACCOUNTING GUIDANCE IMPLEMENTATION

The Financial Accounting Standards Board (FASB) issued new guidance that created Topic 606, Revenue from Contracts with Customers, in the Accounting Standards Codification (ASC). Topic 606 supersedes the revenue recognition requirements in FASB ASC 972-605, Real Estate—Common Interest Realty Associations, Revenue Recognition, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which a CIRA expects to be entitled in exchange for those goods or services.

The Association adopted the new guidance as of January 1, 2019, using the modified retrospective method of transition, which requires that the cumulative effect of the changes related to the adoption be charged to beginning fund balance. The Association applied the new guidance using the practical expedient provided in Topic 606 that allows the guidance to be applied only to contracts that were not complete as of January 1, 2019. Adoption of the new guidance resulted in changes to our accounting policies for assessment revenue and deferred reserve assessments, as previously described.

The adoption of the new revenue recognition guidance resulted in the following change to Fund Balance as of January 1, 2019:

Fund Balance, as previously reported, at January 1, 2019	\$ 240,526
Adjustment for effects of FASB ASC 606	<u>(136,476)</u>
Fund Balance, as adjusted, at January 1, 2019	<u><u>\$ 104,050</u></u>

The effect of the adoption is a decrease in 2019 assessments by \$42,507 and a recording of a deferred reserve assessments liability at December 31, 2019 of \$178,983. The Association has no customer contract modifications that had an effect on the Association's transition to the new guidance.

The modified retrospective method of transition requires us to disclose the effect of applying the new guidance on each item included in our 2019 financial statements. The following are the line items from our balance sheet as of December 31, 2019, that were affected, the amounts that would have been reported under the former guidance, the effects of applying the new guidance, and the balances reported under the new guidance:

	<u>Amounts That Would Have Been Reported</u>	<u>Effects of Applying New Guidance</u>	<u>As Reported</u>
<u>Liabilities:</u>			
Deferred Reserve Assessments	\$ -	\$ 178,983	\$ 178,983
Total Liabilities	32,528	178,983	211,511
<u>Fund Balance:</u>			
Ending Fund Balances	330,948	(178,983)	151,965

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 7 - FASB ASC 606 NEW ACCOUNTING GUIDANCE IMPLEMENTATION (CONT'D)

The following are the line items from the statement of revenues, expenses, and changes in fund balances and the statement of cash flows for the year ended December 31, 2019, that were affected, the amounts that would have been reported under the former guidance, the effects of applying the new guidance, and the amounts reported under the new guidance:

	Amounts That Would Have Been Reported	Effects of Applying New Guidance	As Reported
<u>Revenue:</u>			
Regular Assessments	\$ 225,670	\$ (42,507)	\$ 183,163
Excess (Deficit) of Revenues Over Expenses	90,422	(42,507)	47,915
<u>Cash Flows:</u>			
Excess (Deficit) of Revenues Over Expenses	90,422	(42,507)	47,915
Increase (Decrease) in Deferred Reserve Assessme	-	42,507	42,507

NOTE 8 – COMMITMENTS AND CONTINGENCIES

The Association contracts annually with a property management company (the Manager) to provide management, administrative and accounting services. In 2019, the Association paid approximately \$21,204, for management fees. The agreement expires each year on November 30 and is automatically renewed from year to year, unless terminated or cancelled within 30 days written notice by either the Manager or the Association at any time with or without cause.

On January 1, 2015, the Association executed a five (5) year service agreement with a cable provider for broadband services to the Association, including, but not limited to; multi-channel video, high speed data, information and voice services. The agreement was negotiated through a consultant for a fixed fee plus a monthly payment based on the monthly cost for services, for the duration of the agreement. The initial payment under the terms of the agreement was \$51 per unit/per month, plus applicable taxes and fees. Future annual increases shall not exceed 5%. The Association paid \$109,487, net of the consultant's fee and the rebate, for the services for the year ending December 31, 2019. The Association will be on a month to month contract until the Board of Directors makes a final decision on a new contract.

In addition, the Association has various other contract services to maintain the common property, including lawn maintenance, pool maintenance and irrigation maintenance. These contracts have different expiration dates and renewal terms.

SUPPLEMENTARY INFORMATION

NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC.
SCHEDULE OF FUTURE REPAIRS AND REPLACEMENTS
DECEMBER 31, 2019

The Association has not established statutory replacement fund components, either from the developer at the time of turn-over or by an affirmative vote of the membership. The Association adopted the Pooled method for funding the components of common property in 2010 and transferred existing balances in the straight-line reserves into the Pool in September 2011. In 2012, the Association contracted for a formal reserve study by a professional engineering firm. An update to this study was done in 2018.

The supplemental information in the table below for the estimated remaining useful lives and estimated future replacement cost of the components of common property is based on the 2018 reserve study update.

The following table presents significant information about the components of common property:

<u>Components</u>	<u>Estimated Remaining Useful Lives at 12/31/19</u>	<u>Estimated Future Replacement Costs</u>	<u>Replacement Fund Balance 12/31/19</u>	<u>Deferred Reserve Assessments at 12/31/19</u>	<u>2020 Budgeted Funding</u>
Pooled Items:					
Drainage/ water retention	1 - 19	\$ 138,602			
East/ West common areas	1 - 15	53,087			
Entrance area/ security	2 - 25	439,861			
Roadway/ walkway areas	2 - 18	582,798			
		<u>\$ 1,214,348</u>	<u>\$ 35,889</u>	<u>\$ 165,363</u>	<u>\$ 69,100</u>
West recreational	1 - 29	<u>111,082</u>	<u>313</u>	<u>13,620</u>	<u>5,271</u>
Total		<u>\$ 1,325,430</u>	<u>\$ 36,202</u>	<u>\$ 178,983</u>	<u>\$ 74,371</u>

Per the 2018 reserve study, reserve contributions are recommended for a one percent (1%) annual increase each year following 2019 in order to offset reserve item cost increases relating to inflation.

See accountants' review report and accompanying footnotes