

GARDENS OF GULF COVE PROPERTY OWNERS' ASSOCIATION, INC  
 SUPPLEMENTARY INFORMATION ON  
 FUTURE MAJOR REPAIRS AND REPLACEMENTS  
 DECEMBER 31, 2017

The following table is based on estimates provided by the Board of Directors and the manager during 2017, based on replacement costs and estimates from vendors, and presents significant information about the components of common property. These amounts are based on normal operations without considering the effect of potential catastrophic occurrences:

Components	Estimated Useful Lives	Estimated Remaining Useful Life	Estimated Current Replacement Cost	Required Contribution to be 100% Funded	2018 Proposed Budgeted Funding
Club House Painting	8	4	\$ 7,200.0	\$ 1,800.0	\$ -
Rec Center Painting	8	4	5,950	1,488	-
Rec Center Roof (bldg, wlkwy & bthrms)	15	4	42,000	10,500	-
Club House Roof	15	4	32,000	8,000	-
Rec Center Pool (Resurfacing)	25	10	34,500	3,450	-
Club House Pool (Resurfacing)	15	7	17,500	2,500	-
Road Maint (re-seal)	4	4	6,000	1,500	-
Fences (Paint and Replacement)	15	9	21,000	2,333	-
RV Lot Fence and Gravel Replenish	25	8	18,000	2,250	-
Tennis, Bocce, Shuffleboard Courts	10	7	12,400	1,908	-
Building & Grounds Equipment (A.C., etc)	14	1	17,000	17,000	-
Pool Machinery and Equipment	20	15	28,000	1,867	-
Rec Center Fixtures and Furniture	20	5	25,000	5,000	-
Club Fixtures and Furniture	25	8	18,000	2,250	-
Pool Furniture	15	13	22,000	1,692	-
Lake Maintenance (erosion control)	15	6	25,000	4,167	-
Lawn Equipment	3	0	4,000	4,000	-
Insurance Deductible	Infinite	Infinite	112,000	-	-
Totals			<u>\$ 447,550</u>	<u>\$ 69,904</u>	<u>\$ -</u>

Estimated current replacement costs are based on the assumption that the rate of investment income earned on replacement funds will be equal to the rate of inflation.

GARDENS OF GULF COVE PROPERTY OWNERS' ASSOCIATION, INC.  
SCHEDULE OF OPERATING FUND REVENUES AND EXPENSES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Member assessments	\$ 335,926	\$ 335,926	\$ -
Interest income	-	1,791	1,791
Carry Over	42,894	-	(42,894)
Returned Check Charges	-	15	15
Fines and Fees Net	50,350	62,226	11,876
Other revenue	-	50	50
Total operating fund revenues	<u>429,170</u>	<u>400,008</u>	<u>(29,162)</u>
<b>EXPENSES</b>			
Administrative	20,345	15,020	5,325
Bad debt	-	5,334	(5,334)
Contract Expense	7,900	6,803	1,097
Depreciation Expense	-	23,189	(23,189)
Hurricane expenses	-	6,292	(6,292)
Insurance	35,000	27,754	7,246
Other Expenses	-	603	(603)
Payroll	180,788	171,361	9,427
Professional fees	22,500	19,207	3,293
Project expenses	58,585	31,332	27,253
Repairs and maintenance	45,000	24,065	20,935
Utilities	35,000	42,814	(7,814)
Taxes	550	-	550
Total operating fund expenses	<u>405,668</u>	<u>373,774</u>	<u>31,894</u>
Excess of revenues over expenses	<u>\$ 23,502</u>	<u>\$ 26,234</u>	<u>\$ 2,732</u>