

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.

SARASOTA, FLORIDA

**INDEPENDENT AUDITORS REPORT,
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED DECEMBER 31, 2020

**PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SARASOTA, FLORIDA**

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YEAR ENDED DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Pelican Cove Condominium Association, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of **Pelican Cove Condominium Association, Inc.**, which comprise the balance sheet as of December 31, 2020, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

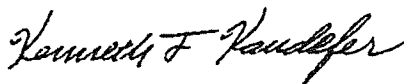
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Expenses-Operating Fund and the Analysis of Contract Liabilities and Replacement Fund are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Supplementary Information on Future Major Repairs and Replacements be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Kenneth F. Kandefer
Certified Public Accountant
Sarasota, Florida

Available to be issued: April 5, 2021

Audit Release Date: May 5, 2021

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2020

ASSETS

	<u>OPERATING</u> <u>FUND</u>	<u>INSURANCE</u>		<u>REPLACEMENT</u> <u>FUND</u>	<u>TOTAL</u>
		<u>INSURANCE</u> <u>RENEWAL</u>	<u>INSURANCE</u> <u>LOSS</u>		
Cash	\$ 24,903	\$ -	\$ -	\$ 695,747	\$ 720,650
Investments	897,069	904,429	-	1,547,305	3,348,803
Restricted Cash - Legacy	77,964	-	-	-	77,964
Assessments Receivable (Net)	5,869	-	-	-	5,869
Prepaid Insurance	888,148	-	-	-	888,148
Accrued Interest	2,068	-	-	8,145	10,213
Property and Equipment	472,658	-	-	-	472,658
Less Accumulated Depreciation	(333,143)	-	-	-	(333,143)
Due Between Funds	(771,812)	10,157	771,000	(9,345)	-
Total Assets	<u>1,263,724</u>	<u>914,586</u>	<u>771,000</u>	<u>2,241,852</u>	<u>5,191,162</u>

LIABILITIES AND FUND BALANCES

Accounts Payable	203,069	-	-	-	203,069
Accrued Expenses	84,941	-	-	-	84,941
Prepaid Assessments	30,172	-	-	-	30,172
Deferred Revenue - Comcast Cable	44,774	-	-	-	44,774
Deferred Revenue - Legacy	74,261	-	-	-	74,261
Contract Liability	-	-	-	2,241,852	2,241,852
Total Liabilities	<u>437,217</u>	<u>-</u>	<u>-</u>	<u>2,241,852</u>	<u>2,679,069</u>
Fund Balances	<u>826,507</u>	<u>914,586</u>	<u>771,000</u>	<u>-</u>	<u>2,512,093</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,263,724</u>	<u>\$ 914,586</u>	<u>\$ 771,000</u>	<u>\$ 2,241,852</u>	<u>\$ 5,191,162</u>

The accompanying notes are an integral part of these financial statements.

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2020

	OPERATING FUND	INSURANCE		REPLACEMENT FUND	TOTAL
		INSURANCE RENEWAL	INSURANCE LOSS		
REVENUES					
Maintenance Fees	\$ 3,377,484	\$ 1,378,266	\$ -	\$ 143,291	\$ 4,899,041
Harbor Slip Fees	49,255	-	-	-	49,255
Real Estate Application Fees	45,100	-	-	-	45,100
Other Revenue	59,166	-	-	-	59,166
Interest	14,610	-	-	30,886	45,496
Bad Debt Recovery	1,854	-	-	-	1,854
Other Income	2,429	-	-	-	2,429
TOTAL REVENUES	3,549,898	1,378,266	-	174,177	5,102,341
EXPENSES					
Administrative	613,913	-	-	-	613,913
Gate House	224,172	-	-	-	224,172
Service and Utility	796,373	-	-	-	796,373
Maintenance	1,111,899	-	-	-	1,111,899
Grounds	736,449	-	-	-	736,449
Insurance	-	1,384,390	-	-	1,384,390
Assets Purchased	80,491	-	-	-	80,491
Depreciation	28,249	-	-	-	28,249
Replacement	-	-	-	174,177	174,177
TOTAL EXPENSES	3,591,546	1,384,390	-	174,177	5,150,113
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENSES	(41,648)	(6,124)	-	-	(47,772)
Fund Balances at Beginning of Year	394,108	1,031,537	731,000	-	2,156,645
New Assets Added to Fund	80,491	-	-	-	80,491
Prior Year Adjustments	3,284	-	-	-	3,284
PPP Loan Forgiveness	319,445	-	-	-	319,445
Transfers	70,827	(110,827)	40,000	-	-
Fund Balances at End of Year	\$ 826,507	\$ 914,586	\$ 771,000	\$ -	\$ 2,512,093

The accompanying notes are an integral part of these financial statements.

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020

	<u>OPERATING</u>	<u>REPLACEMENT</u>	<u>TOTAL</u>
<u>Cash Flows From Operating Activities</u>			
Member Assessments	\$ 4,726,785	\$ 388,662	\$ 5,115,447
Interest Received	14,610	30,886	45,496
Other Income Received	157,804	-	157,804
Cash Paid for Expenditures	(4,856,092)	(143,291)	(4,999,383)
Income Taxes Paid	-	-	-
Interest Paid	-	-	-
Net Cash Provided (Used) by Operations	<u>43,107</u>	<u>276,257</u>	<u>319,364</u>
<u>Cash Flows From Investing Activities</u>			
Purchase of Property & Equipment	(80,752)	-	(80,752)
Purchase of Investments	(545,784)	(24,820)	(570,604)
Net Cash Provided (Used) by Investing Activities	<u>(626,536)</u>	<u>(24,820)</u>	<u>(651,356)</u>
<u>Cash Flows From Financing Activities</u>			
Proceeds from Debt	319,445	-	319,445
Net Cash Provided (Used) by Financing Activities	<u>319,445</u>	<u>-</u>	<u>319,445</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(263,984)	251,437	(331,992)
Cash and Cash Equivalents, Beginning of Year	<u>366,851</u>	<u>444,310</u>	<u>811,161</u>
Cash and Cash Equivalents, End of Year	<u>\$ 102,867</u>	<u>\$ 695,747</u>	<u>\$ 479,169</u>

Cash and cash equivalents reflected in these financial statements include money market funds, standard checking and savings accounts.

The accompanying notes are an integral part of these financial statements.

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020

**RECONCILIATION OF EXCESS (DEFICIT)
OF REVENUES OVER EXPENSES TO
NET CASH PROVIDED BY OPERATING
ACTIVITIES:**

	<u>OPERATING</u>	<u>REPLACEMENT</u>	<u>TOTAL</u>
Excess (Deficit) Revenues			
Over Expenses	\$ (47,772)	\$ -	\$ (47,772)
Depreciation	28,249	-	28,249
Provision for Bad Debt	(1,390)	-	(1,390)
Assets added to Fund	80,491	-	80,491
Prior Period Adjustment	3,284	-	3,284
Total	<u>62,862</u>	<u>-</u>	<u>62,862</u>
(Increase) Decrease in:			
Accounts Receivable	(3,921)	-	(3,921)
Prepaid Expenses	(18,146)	-	(18,146)
Other Assets	4,908	-	4,908
Due Between Funds	(1,400)	1,400	-
Increase (Decrease) in:			
Payables	28,049	-	28,049
Contract Liability	-	274,857	274,857
Accrued Expenses	18,649	-	18,649
Deferred Revenue	(22,850)	-	(22,850)
Prepaid Maintenance Fees	(25,044)	-	(25,044)
Total Adjustments	<u>(19,755)</u>	<u>276,257</u>	<u>256,502</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 43,107</u>	<u>\$ 276,257</u>	<u>\$ 319,364</u>

The accompanying notes are an integral part of these financial statements.

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SARASOTA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 - NATURE OF ORGANIZATION

Pelican Cove Condominium Association, Inc. ("the Association") is a statutory condominium association incorporated in the State of Florida on July 24, 1973. The Association is responsible for the operation and maintenance of the common property of Pelican Cove Condominium. Pelican Cove Condominium consists of 731 residential units located on approximately 75 acres in Sarasota, Florida.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting, and prepares its financial statements on the accrual basis of accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

General Fund -- This fund is used to account for financial resources available for the general operations of the Association.

Insurance Funds -- These funds are used to account for financial resources available for insurance renewal and insurance loss needs of the Association. These funds are a designated part of the operating fund.

Replacement Fund -- This fund is used to accumulate financial resources designated for future major repairs and replacements.

Member Assessments

Association members are subject to monthly assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Accounts receivable at the balance sheet date represent fees due from owners. The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent. Management establishes an allowance for doubtful accounts based on amounts expected to be uncollectible at the balance sheet date. As of December 31, 2020, an allowance of \$1,390 has been established for accounts expected to be uncollectible. Revenue from maintenance fees is recognized in the period for which it applies and payments received in advance are deferred to the appropriate future period. For the year ended December 31, 2020, assessments totaled \$5,183,004. Of this amount, \$427,254 was designated for the Replacement Fund, \$1,378,266 for the Insurance Fund and \$3,377,484 for the Operating Fund. Revenues from special assessments for a particular purpose are recognized as revenue when the related costs are incurred.

**PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SARASOTA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Allocation of Income and Expenses

The allocation of income and expenses to Association members, as indicated in the condominium documents, is based on the various square footages of the units, with twenty-nine different sizes and allocation rates currently being used.

Estimates

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

Income Tax

The Association qualifies as a tax-exempt homeowner's association under Internal Revenue Code Section 528 for the year ended December 31, 2020. Under that section, the Association is not taxed on income and expenses related to its exempt purpose, which is the acquisition, construction, management, maintenance and care of Association property. Net nonexempt function income, which includes earned interest and revenues received from non-members, is taxed at 30% by the federal government.

Property and Equipment

Real property and common areas acquired by the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. The Association capitalizes personal property to which it has title to at cost.

Depreciation

It is the Association's policy to capitalize property and equipment over \$3,000. Lesser amounts are expensed. Purchased property and equipment are carried at cost. The Association's property and equipment are depreciated using the straight-line method over estimated useful lives of 3 to 10 years.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Association considers all highly liquid investment instruments with an original maturity of three months or less when purchased to be cash equivalents.

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SARASOTA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Allocation of Income and Expenses

The Allocation of income and expenses to Association members, as indicated in the condominium documents, is based on the various square footages of the units, with twenty-nine different sizes and allocation rates currently being used.

NOTE 3 – INCOME TAXES

As stated in Note 2, the Association is taxed on any non-membership income. For the year ended December 31, 2020 taxable non-membership income before allowable deductions was \$45,601. After allowable deductions, the income tax provision for 2020 was -0-.

NOTE 4 – RESTRICTED CASH-LEGACY

Restricted cash represents bequests and other donations by owners which are to be used for specific purposes as determined by the donor.

NOTE 5 – UNINSURED CASH BALANCES

The Association maintains its cash balances at several financial institutions. Accounts at each institution are secured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Funds are invested according to the Association's bylaws in primary bank accounts insured by the FDIC and in sweep accounts that are invested in Government Agency Bonds. The Association had \$33,131 in uninsured cash balances at December 31, 2020.

NOTE 6 – PENSION PLAN

The Association maintains a 401(k) profit sharing plan. Employees may contribute amounts as prescribed by IRS guidelines. The Association matches 50% of employee contributions, up to a maximum of 8% of their annual salary. Pension expense for 2020 totaled \$64,330.

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SARASOTA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 7 – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's bylaws and Florida Statutes require that the Association prepare its annual budget with calculations of estimates of future costs for the repair and/or replacement of certain common property. These calculations provide the basis for the establishment and ratable funding of reserves over a period of time. The budget must include amounts representing full funding of reserves, however, the membership may vote to reduce or eliminate the funding of these amounts as called for in the budget. This vote must be at a duly called meeting before the budget is in place and is valid for one year only.

The Board of Directors annually reviews the major components of common property. As part of the review, a study was conducted in 2020 to estimate the remaining lives and replacement costs of each of the components of common property. The estimates were originally obtained from specialists who inspected the property. The table included in the unaudited supplementary information on future major repairs and replacements is based on this study.

The Board is funding for major repairs and replacements over the remaining useful lives of the components based on estimates of current replacement costs. The Association allocates interest earned on replacement funds to the individual components. Amounts previously accumulated are considered in determining the annual funding requirement. The calculation performed by the Association for 2020 called for full funding of reserves of \$427,254 and this amount was included in the amounts assessed for 2020. The calculation performed by the Association for 2021 called for full funding of reserves of \$450,997 and this amount is included in the amounts assessed for 2021.

Actual expenditures may vary from the estimated replacement costs. These variances could be material. Consequently, the amounts accumulated in this fund may not be adequate to fund the major repair or replacement. If additional funds are needed, the Association may increase regular assessments, pass a special assessment or delay the repair or replacement.

NOTE 8 – CONTINGENT LIABILITY

The Association's current windstorm insurance policy contains a 5% deductible clause. Based on the \$98,878,724 insured valuation of the buildings and carports, the first 5%, or \$4,943,936 would be the responsibility of the Association.

**PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SARASOTA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 9 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through April 9, 2021, which is the date the financial statements were available to be issued.

NOTE 10 – PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost and consist of the following:

Office Equipment	\$ 103,978
Equipment	<u>368,680</u>
	472,658
Less accumulated depreciation	<u>333,143</u>
Total	<u>\$ 139,515</u>

NOTE 11 – COVID- 19 PANDEMIC

Subsequent to December 31, 2020, markets have been negatively impacted by a novel strain of coronavirus (COVID-19), which was declared a pandemic by the World Health Organization (WHO) on March 11, 2020. The continued spread of COVID-19 and the actions being taken by governments, businesses, and individuals to limit this pandemic may adversely impact operations, including among other, increasing the credit risk of owners and collectability of owner assessments. This has resulted in significant economic uncertainty, of which the potential impact to the Association's future financial result is difficult to measure.

**PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF EXPENSES - OPERATING FUND
YEAR ENDED DECEMBER 31, 2020**

ADMINISTRATIVE EXPENSE	
Management & Administration Salaries	\$ 359,037
Benefits	77,294
Taxes and Fees	36,129
Health Reimbursements	3,513
Employee Recognition	3,749
Applicant Processing	3,894
Uniforms	3,764
Education/Licenses	4,020
Accounting and Audit	7,820
Bank Service Charge	11
Legal Fees	12,930
Printing	9,479
PC News Printing and Postage	19,428
Telephone Expense	20,697
Office Supplies	12,717
Fees to Division	61
Pool Permits	1,475
Professional Fees	21,049
Office Equipment	7,921
Postage	1,522
Administration Other	7,403
TOTAL ADMINISTRATIVE EXPENSE	<u>613,913</u>
 GATE HOUSE	
Salaries	120,297
Temporary Salaries	69,078
Benefits	20,460
Taxes and Fees	12,966
Other	1,371
TOTAL GATE HOUSE	<u>\$ 224,172</u>

The accompanying notes are an integral part of these financial statements.

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF EXPENSES - OPERATING FUND
YEAR ENDED DECEMBER 31, 2020

MAINTENANCE EXPENSE

Salaries	\$ 597,935
Benefits	139,478
Taxes and Fees	64,857
Permits and Contractor Fees	12,028
Water Line Service	2,239
Sewer Main Repair and Service	35,076
Toolr and Equipment	5,485
Building Supplies	80,266
Housekeeping Supplies	5,513
Pool Supplies	21,151
HVAC Maintenance and Repair	1,030
Electrical Supplles	11,728
Harbor Expense	245
Recreational Maintenance	15,592
Building Drainage	3,046
Sewer Unit Repair	436
Roof Repair	40,725
Carport Roof Repair	27,310
Pest Control	5,694
Maintenance Other	19,310
Safety Equipment	953
Uninsured Losses	21,802
TOTAL MAINTENANCE EXPENSE	<u>1,111,899</u>

SERVICE AND UTILITY EXPENSE

Cable TV	282,460
Electric	57,490
Water	143,950
Sewer	254,643
Natural Gas	16,405
Garbage	11,525
Termite Service	29,900
TOTAL SERVICE AND UTILITY EXPENSE	<u>\$ 796,373</u>

The accompanying notes are an integral part of these financial statements.

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF EXPENSES - OPERATING FUND
YEAR ENDED DECEMBER 31, 2020

GROUNDS EXPENSE	
Salaries	\$ 455,924
Benefits	114,114
Taxes and Fees	48,077
Tree Trimming and Removal	25,961
Tree Planting	4,280
Fertilization	2,818
Pond Maintenance	1,473
Reclaimed Water	1,498
Irrigation	9,071
Equipment Repair and Supplies	16,782
Sod	1,412
Ornamental Planting	20,145
Rock and Shell	4,076
Gas and Oil	2,485
Tools and Equipment	3,201
Stepping Stones and Concrete	1,333
Grounds Beautification	2,140
Grounds Other	7,412
Mangrove Trimming	12,650
Safety Equipment	383
Uninsured Losses	1,214
TOTAL GROUNDS EXPENSE	<u>736,449</u>
TOTAL OPERATING EXPENSES	<u>\$ 3,482,806</u>

The accompanying notes are an integral part of these financial statements.

**PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
ANALYSIS OF CONTRACT LIABILITIES - REPLACEMENT FUND
YEAR ENDED DECEMBER 31, 2020**

CONTRACT LIABILITY

Beginning Balance	\$ 1,957,889
Assessments	427,254
Revenue Recognized	(143,291)
Ending Balance	<u>\$ 2,241,852</u>

REPLACEMENT FUND

Beginning Balance	\$ -
Revenue Recognized	143,291
Interest	30,886
Road	(5,714)
Roof	(93,792)
Pool	(6,522)
Paint	(19,457)
Common Facilities	(48,692)
Ending Balance	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

PELICAN COVE CONDOMINIUM ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
YEAR ENDED DECEMBER 31, 2020
(Unaudited)

The Association had a professional study done by Dreux Isaac & Associates, Inc in October 2020 to estimate the useful lives and replacement costs of the components of common property in accordance with Chapter 718 of the Florida Statutes.

The following schedule is based on that study.

<u>COMPONENT</u>	<u>Estimated Remaining Useful Life (Years)</u>	<u>Estimated Current Replacement Cost</u>	<u>2021 Funding Requirement</u>
Replacements			
Roof Replacement	2 to 26	\$ 1,065,480	\$ 299,907
Paint	1	40,000	-
Roads	1 to 15	181,175	87,067
Harbor	1 to 19	241,544	50,031
Common Facilities	1 to 30	570,948	198,861
TOTAL		<u>\$ 2,099,147</u>	<u>\$ 635,866</u>