

Prepared by C. Hutton 6/2/14 using Bank Statements and General Ledger as of 3/31/14 provided by Sentry CAM

All Balances as of 3/31/14	0043054667	0043057868	
	Operating	Money Market	Combined
Balance Per Bank Statements	\$ 99,847	\$ 75,843	\$ 175,690
Less: Outstanding Checks (Not our funds anymore)	\$ (16,956)		\$ (16,956)
<small>*Table Below-From Sentry Books</small>			
Less: Accounts Payable (Expense Incurred, check or draft not cut)	\$ (9,764)		\$ (9,764)
<small>*Table Below-From Sentry Books</small>			
Less: Prepaid 4th Qtr Dues Deposited Per Books	\$ (61,430)		\$ (61,430)
<small>(Belong to 4th Qtr-not part of 3/31 analysis) * Note 1</small>			
Cash Available at 3/31/14 for 1st Qtr	\$ 11,697	\$ 75,843	\$ 87,540
Less: Special Assessment Funds not spent as of 3/31/14- obligated		(rounded)	\$ 61,000
Less: Escrow Funds of Tenants (Commingled in Operating Account)			\$ 11,425
Roof(s)			\$ 46,957
Paint (Reserve reported as being replenished from 2013 project)			\$ (13,520)
Paving * Note 2			\$ 22,963
Elevator			\$ 4,241
Pool/Spa			\$ 3,895
Pool Furniture			\$ 6,875
Pool Equipment			\$ 16,698
Funds Obligated at 3/31/14 Per Books and as Special Assessment details			\$ 160,535
Estimated Shortage Reserves @ 3/31/14: (Cash not spent minus obligated funds)			\$ (72,995)

Explanation: Sentry Management uses two bank accounts for VLC; one a business checking; linked to a Money Market "savings" which would include our Reserve Funds and as our Special Assessment of 109k was proposed for specific purposes, it would seem reasonable the unspent amount would be held in "savings" as well. The statutes allow commingling (as I have recently read) for condo association funds - for "investment purposes". I have not found the exception to maintaining the escrow deposits from tenants in VLC's operating account, though I am not an attorney nor a licensed real estate professional in Florida; only hold a real estate license in New Jersey. Escrow accounts are fairly standard though that they are not to be deposited with other funds. Based upon this analysis, we have used our reserves far beyond the \$20,000 overrun on the 2012/2013 paint job when the "former property manager" and prior Zammit board contracted, both of which (Zammit and Mgr Jon Miller) terminated on 3/31/13.

On the positive side; we do have Accounts Receivable of 61k at 3/31 which will most likely be collected in time, after foreclosure/probate processes/short sales are completed. On the negative, new delinquencies will occur likely at the same rate (averaging 8% from the information I have begged for and been made to PAY for by our esteemed Sentry CAM) and should be built in to the budget. Additionally, as our property ages, unexpected repairs will present themselves which may not have been reserved/planned, and a contingency line item should be included.

Paving was on the books in Reserves and yet included at 14.5 with Special Assessment; Double Dipped Owners?