

Welcome to the PRA System

The PRA System is an Internet based and delivers unique navigation, tracking, analysis, tools, reports and charts and report production that has set new standards for reserve management. The system is intuitive as it simplifies financial analyses and processes while guiding the user to a desired solution without the need of software or accounting knowledge. The PRA System empowers owners' associations to operate as a successful business.

The PRA (Property Reserve Analysis) System has been designed as a multi-faceted asset management tool (physical and financial), which can be utilized in any scenario where the long-term maintenance or replacement of real or personal property exists (for example, common interest developments (wholly owned condominiums and timeshare), hotels, golf courses, commercial property, churches, etc.). It affords users the ability to efficiently budget and schedule for long-term maintenance and replacement of real or personal property, while accurately formulating a financial plan. The PRA System has not been developed to dictate how a reserve analysis or study should be prepared or calculated, but supplies the user with the capabilities for creating plans in which to produce a customized analysis and report tailored to meet desired specific needs.

PRA has received a Quality Assurance Evaluation from a Certified Public Accounting firm verifying the system for accuracy and compliance with the AICPA's Audit and Accounting Guide for Common Interest Realty Associations, cash flow projections, and tax calculations consistent with IRS guidelines for 1120c and 1120h corporations. PRA provides for complete, flexible reserve study assumptions while allowing for either current cost or future cost projections while calculating interest and projecting cash flows on a monthly and annual basis.

The user has the following options in formulating a reserve management plan to project that funds will be available in the future when needed for long-term maintenance, refurbishment or replacement::

- Inflation rate
- Tax rate
- Loans/Special assessments
- Deferred expenditures
- Investment rates
- Cost-of-Living increases
- Analysis profile adjustment
- Contingencies

The system will calculate on a straight-line basis (method in which the time value of money is ignored) for either inflation or investment if the percentage rate is set to zero.

Once all the data has been entered into the system and the financial options determined, the user will be able to review the profile of the "reserves". Reserves being the funds accumulated and the items requiring long-term maintenance or replacement, and when the two are properly correlated into an overall physical and financial plan, projected funds would be available when needed. This is determined by the beginning balance of the reserve funds, the timing and materiality of scheduled expenditures reflected in the cash flows. The user will be able to arrive at the optimum solution by utilizing the reserve profile adjustment factor, hence producing the most accurate and customized resource management report possible.

PRA Main Menu

The PRA desktop and Main Menu open upon entering the system. The Property Menu has the following selections:

- **Manager** - access to Manager menu
 - **Help** - access to System Help
 - **License** - access to License Information, Terms of Use and Privacy Statement
 - **Exit** - close down the system
-

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Manager

Manager menu gives access to the following areas:

- **Work Area** - access to property Work Area for entering data and generating reports
 - **Definition** - access to Definition for defining or making changes to property setup and structures
 - **Archive** - past saved databases that can be accessed
 - **Master System** - adding a new properties, Master Item list entry, and reports
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Work Area

Work Area is where the following activities are available through these menus:

Main menu with the following selections:

- **New Reserve Item** - adding a reserve items (to edit reserve items see View menu below, Items)
- **Reserve Item Update** - updating reserve items
- **Global Parameters-WA** - financial criteria of the analysis
- **Cash Management** - tracking of a cash accounts
- **Reports** - nineteen different types of reports
- **Report Writer** - utilized existing templates or customize or create templates with data and image merge fields
- **Report Builder** - produce report combining templates, reports, images and charts with auto table of contents and page numbering
- **Image Manager** - import images to be utilized in templates and reports
- **Chart Manager** - select charts and customize
- **Warnings** - item and cash warning notification that data is missing or needs to be adjusted

View menu provides selections of what can be viewed in the bottom half the Work Area page:

- Reserve Items - provides a row summary of the reserve items in the project and by <clicking> on a row
- Expenditures
- Cash Flow - Annual or Monthly selection
- Percent Funded
- Cash Availability

Update menu:

- Save
- Close

The analysis is performed and all reports are accessible for viewing or printing in the Work Area. Any follow up procedures will also be performed in this area.

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Definition

A property is initially setup in the Master System and defined in Definition from the Manager menu. The following data is entered:

- **Property Information** - general information, number of units, phases and models
- **Property Criteria** - calculation methods
- **Phases and Units** - number of units in each phase
- **Phases, Units and Models** - model type per unit
- **Model Allocation** - name and size of model or basis for allocation
- **Financial Parameters** - financial data for calculations

Update menu:

- Save

Cancel

Definition constitutes how many phases, buildings or floors, units and models exist, what is the actual mix of these categories and what model type is each unit. The size of each model is entered along with the project criteria, these being calculation methods, compounding of inflation, etc. The initial financial factors are also defined: inflation rate, investment rate, etc.

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Archive

When saving a property in Work Area Update, the database is archived for future access. The following fields are presented:

Date - when property was saved

Local User - the user who saved the database

Description - when in the Work Area and data is either Applied or Saved in the Update menu, a description box will appear which allows the user to name the Saved/Archived database for future retrieval

Size (Bytes) - actual size of the database

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Master System

The Master System provides overall support and management when multiple properties exist. The Master System menu gives access to the following areas:

- **New Reserve Item** - add new reserve items to the Master Item List
 - **New Site** - capability of grouping properties for reporting
 - **New Property** - add a new property
 - Reports - Master List and Quantity Purchasing
 - **Warnings** - displays any missing data
-

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System

System gives access to the following documents and property codes:

- **License Information** - consists of license date, number, etc.
- **Licensee Information** - consists of property name, address, city, etc.
- System Merge Fields - create merge fields that available to all properties
- **Terms of Use** - license right-of-use
- **Privacy Statement** - policy on privacy

Update menu:

- Save
 - Cancel
-

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License Information

The Company's name will appear on the work area screen and on all printed reports. This information can be changed by returning to this screen. Enter the following information:

- Company Name
 - Address, City, State/Region, Postal Code, Country
 - Phone Number
 - Website
 - EMail Address
 - Language
-

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Licensee Information

The following Licensee Information is updated when changed:

- License Date
 - License Number
 - System Type
 - License Renewal
 - Last Update
 - Number of Properties
 - License Amount
 - Annual Support Fee
-

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System Merge Fields

System custom merge fields can be added to Merge Field List box, enter the Field Name (only characters) and the Field Value (name for the merge link), see [Report Writer-Editor](#) .

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Terms of Use

See License-Terms of Use in the system.

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Privacy Statement

See License-Privacy Statement in the system.

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Property Information

The pertinent setup information to an individual project is accumulated in the Project Information screen. The following information is to be entered:

- **Property Name** - *enter*, name of the property
- **Address** - *enter*, address, city, state/providence, postal code, country and phone
- **Number of Units** - *enter*, total number of units in the property
- **Number of Phases** - *enter*, (buildings or floors) total number phases in the property
- **Number of Models** - *enter*, total number of model types in the property

The system is currently limited to tracking 9,999 units, 60 phases, buildings or floors, and 10 model types per property. It is important that the user determine the most optimum number of phases, buildings or floors for tracking the property.

Once the data entered, <click> the right arrow to move to the Phases & Units screen.

Property Criteria

The following are different criteria (formats and methods) in which an analysis can be done for a project:

- **Inflation Compounded** - *select*, monthly or annually
 - **Ownership Format** - *select*, there are three methods calculating contribution amounts;
 - a. Proportional/Fixed - wholly owned, one week (1/52, 1/51 or 1/50), one month, 1/8 share, 1/4 share or 1/3 share
 - b. Points - timeshare and Vacation Ownership
 - c. Entitlements - each unit is assigned a number of Entitlement points
 - d. Unit Percentages - each unit has a percentage of the contribution amount
 - **Allocation Format** - *select*, fixed or proportional mode, which determines how the contribution amount from owners is allocated based on the model type and size or other available criteria, fixed or proportional mode:
 - a. Fixed - if the contribution is to be the same for all model types. Even if entering different model sizes or other criteria in the "Model Allocation" screen in Define Project, being in the fixed mode will produce fixed contributions in the Model Allocation report.
 - b. Proportional - if the contribution is to be allocated based upon model type and size.
 - **Weeks In Year** - *enter*, based on Points ownership, the number of weeks are allowed to be sold in a year
 - **Minimum Life** - *enter*, minimum mature life in months of items to be included in the calculation (items with less than the minimum life are operational items to be budgeted in the operation budget)
 - **Cash Flow Schedule** - *select*, 10, 20, 30 or 40 years
 - **Analysis Format** - *select*, of Analysis or Forecast mode,
 - a. **Analysis** - only properties for phases and units which exist in the initial analysis year, or
 - b. **Forecast** - takes into account phases and units coming on line after the initial analysis year
 - **Contribution Method** - *select*, Contribution method:
 - a. Current Cost - takes into account no inflation
 - b. Future Cost - takes into account inflation
 - **Measurement Basis** - *select*, feet, yards or meters
-

Phases and Units

The Phases and Units screen requires the initial setups for each phase, building or floor. The following information is required for each:

- **Service Date** - *enter*, date was available for occupancy or service, or the last time of maintenance or replacement
- **Number of Units in the Phase** - *enter*, in or on buildings or floors

After entering the service date for each phase, building or floor and the number of units in each phase, building or floor the system will display if the number of total units which was entered in the Project Information screen equals in total the units entered in the Phases and Units screen. The user will then have to re-enter the information again, until the totals agree.

Once the number of units in total is matching and satisfied with the data entered, <click> the right arrow to move to the Phases, Units & Models screen.

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Phases, Units and Models

The Phases (building or floors), Units and Models screen requires that the model type of each unit be defined if desiring to utilize unit tracking. If your project does not intend to track by individual unit items, this area can be ignored. It must be noted that the system will not be able to perform an allocation of the contribution amount by model type either. Master associations will probably will not find it necessary to enter information in this area. If things should change, the user could re-access the Definition and enter the model types.

The system will prompt the user if the Entitlement feature is to be utilized. If so select yes. The Entitlement feature will allow for individual allocations to each unit. This will also be utilized for point systems related to timeshare.

If the number of models entered in Project Information screen is one, the Phases, Units and Models screen will be automatically filled in with model type A's for all units

Upon entering the Phases, Units and Models screen, the following will be presented: the phase number (001, 002, etc.), an assigned (in numerical order) unit number, a field for entering the model type and a field for entering 25 digits (numerical or alpha). A model type (letter) is entered for each individual unit. To the right of the model type, the 25 digit area is utilized for entering the designated units actual number, address or location. This will be used as a reference to determine which unit is being dealt with, and can be printed in the work area under reports.

Once the number of units in total is matching and satisfied with the data entered, <click> the right arrow to move to the Model Allocation screen.

Model Allocation

The individual model sizes are entered and a pro-rata calculation will determine the contribution amount for each model if desired. The system allows model sizes to be measured in square feet, yards or meters which is selected in Project Criteria. The following information is required:

- **Model Name** - *enter*
- **Size of Each Model** - *enter*

Once the data is entered, <click> the right arrow to move to the Global Parameter screen.

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Financial Parameters-D

The Financial Parameters are the factors used by the system to calculate the contribution amount. The following information is required:

- **Analysis Date** - *enter*, date of the analysis (from which projections will extend for 10, 20 or 30 years, as determined in Project Criteria)
 - **Rate of Inflation** - *enter*, percentage for calculating future cost of reserve items
 - **Beginning Balance** - *enter*, reserve fund balance as of the analysis date
 - **Rate of Investment** - *enter*, percentage for calculating interest
-

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Master List Selection

Based on building a **Master List** of reserve items in the Master System, the Master List Selection screen allows for selecting multiple reserve items based on the following configurations:

- Reserve Item Type - common area or unit item
- Tracking Method - logistical or cycle

<Click> the Add box (first column), then select the reserve item type and the tracking method. When finished selecting reserve items <click> Save in the Update menu.

The selected reserve items will be automatically added to the property. Reserve items will then need to be accessed via the View-Reserve Item screen for entering the Replace Yr:Mn (when the item is scheduled to be replaced or maintained) and the Count (the quantity of the measurement basis).

Note: for Common Area-Logistic reserve items, the Replace Yr:Mn and Count can be entered in **Reserve Item Update** >Common Area-Logistic for quicker data entry.

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Work Area

Work Area is where the following activities are available through these menus:

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- **New Reserve Item** - adding a reserve items (to edit reserve items see View menu below, Items)
- **Reserve Item Update** - updating reserve items
- **Global Parameters-WA** - financial criteria of the analysis
- **Cash Management** - tracking of a cash accounts
- **Reports** - nine different types of reports
- **Report Writer** - utilized existing templates or customize or create templates with data and image merge fields
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- **Chart Manager** - select charts and customize
- **Warnings** - item and cash warning notification that data is missing or needs to be adjusted

View menu provides selections of what can be viewed in the bottom half the Work Area page:

- Items - provides a row summary of the reserve items in the project and by <clicking> on a row
- Expenditures
- Cash Flow - Annual or Monthly selection
- Percent Funded
- Cash Availability

Update menu:

- **Apply** - Apply allows to save current data entered but not close PRA. On the top/left of the Work Area screen is the property name and next to it is notification if changes have been made which have not been saved (Unsaved Changes). When <clicking> Apply, the Apply Changes? box will appear. Either enter a name or not and <click> OK. This database can now be retried in **Archive**.
- **Save** - Save allows to save current data entered and close PRA. On the top/left of the Work Area screen is the property name and next to it is notification if changes have been made which have not been saved (Unsaved Changes). When <clicking> Save, the Save Changes? box will appear. Either enter a name or

not and <click> OK. This database can now be retried in [Archive](#) .

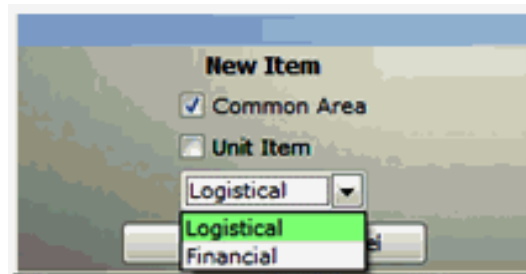
- Close - Close and leave PRA

The analysis is performed and all reports are accessible for viewing or printing in the Work Area. Any follow up procedures will also be performed in this area.

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New Reserve Item

When selecting New Reserve Item the following box will appear:



There are two reserve item types as follows:

- **Common Area** - items which benefit part or all of the project
- **Unit** - items relate directly to individual units

Reserve items can be tracked by the following three methods:

1) Logistic-Fixed:

Items are tracked logistically generating projected expenditures by entering the Estimated Useful Life and the Replace Yr:Mn (Estimated Remaining Life) calculating:

- Service Date
- Replacement Date

Note: Logistic-Fixed method has no Adjusted Yr:Mn or Recur (Rcr) features

2) Logistic-Adjusted:

Items are tracked logistically generating projected expenditures by entering the Estimated Useful Life and one of the following:

- Service Date
- Replacement Date
- Replace Yr:Mn (Estimated Remaining Life)

The Adjusted Yr:Mn is calculated which can be less, more or the same as Estimated Useful Life entered. If the Adjusted Yr:Mn is less or more than Estimated Useful Life entered, the initial replacement will be the Adjusted Yr:Mn and the ongoing expenditure projections can be based on the Estimated Useful Life or the Adjusted Yr:Mn by <clicking> the [Rcr] box.

Note: Within the Logistic screen, the Fixed or Adjusted method is selected and can be switched back and forth.

3) One Time:

3) Cycle:

Items are not tracked logistically but are budgeted when they are planned, on a floating basis to be replaced. An Annual Reserve Percentage is calculated based on the Estimated Useful Life generating the following data for report purposes:

- Service Date
- Replacement Date
- Replace Yr:Mn (Estimated Remaining Life)

The data is generated and presented based upon the Annual Reserve Percentage (i.e. 20% Annual Reserve Percentage is calculated from a 5 year Estimated Useful Life generating five data lines for tracking the data, $100\% / 5 \text{ years} = 20\%$)

To add a new reserve item select item type and then the tracking method.

Unit Items

Unit items are directly related to individual units (roofs, doors, interior items, etc.) The system offers three methods of tracking common area items:

- **Logistical-Fixed**
 - **Logistical-Adjusted**
 - **Cycle**
 - **One Time**
-

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Logistic-Fixed-Unit Item

Unit items are directly related to individual units (roofs, doors, interior items, etc.)

Note: the difference between Logistic-Adjusted and Logistic-Fixed, Logistic-Fixed does not allow the Estimated Useful Life to be extended or shortened, or the choice that the recurring projections will use the Estimated Useful Life or the Adjusted Life.

Logistically tracked Unit items are assigned system codes. The first three digits of the code for all unit items represents the phase, building or floor in which that individual unit item exists. If the item was related to phase, building or floor number three, the first three digits of the code would be "003". The second three digits of the code relates to the individual units within the phase, building or floor. If all items in a phase, building or floor are tracked together, the second three digits of the code will be "000". If an item is to be tracked by an individual unit, the second three digits of the code will represent the actual unit number, "034" being unit number 34. The system numbers all the units in a project in succession. If the last unit in a phase, building or floor number three, "003", is 25, "025" being the second three digits, then the first unit in phase, building or floor number four, "004" being the first three digits, is 26, "026" being the second three digits. The last four digits of the code represent the actual reserve item.

Unit Item Code Examples:

- **005-048-0067** - this unit item code is for item number "0067", in unit number "048" located in or on phase, building or floor number 5.
- **003-000-0024** - this unit item code is for item number "0024", in all the units located in or on phase, building or floor number 3.

Note: if there were more than 999 units, the center field would expand to four digits to accommodate 9,999 units.

After determining that the unit item will be tracked Logistic-Fixed, the New Item page will appear and the following Item Parameters are entered:

- **Master Item** - Allows the selection of items that have been entered in the [Master Item List](#)
- **Description** - *enter*, name of the item.
- **Category** - *enter*, a category name or number can be entered here for tracking capabilities in the Item Parameter and Expenditure reports. If categories have been entered, the list can be accessed by <clicking> the down arrow and then select the category for how this item will be tracked.
- **Tracking** - Phase, building or floor
- **Measurement Basis** - *enter*, the basis in which the basis cost is to be measured (square yards, linear feet, each, etc.).
- **Estimated Useful Life** - *enter*, the original expected life of the item in years and months.
- **Basis Cost** - *enter*, the current cost of each measured basis (\$10/sq. ft., \$25/linear yard, \$500 each, etc.) The cost field has been set for three decimal points to account for half cents, if necessary.

- **Salvage Value** - *enter*, the estimated retrievable value at the time of the analysis date, if the item were to be replaced (i.e. how much could be received for the replaced sofa if sold).

The following menus provide access and functions as follows:

View Menu with the following selections:

- **Item Data** - see Item Data View Screen below
- **Item Notes** - see Item Notes Screen below

Update menu with the following selections:

- **Save New** - will prompt the Save New? box, select Yes or No
- **Cancel New** - will prompt the Cancel New? box, select Yes or No

Item Data View Screen :

The Item Data view screen has three [tabs]: Items, Models and Unit Expanded. In the "Items" [tab] one line exists for each phase. The following columns exist with the data entered or calculated as follows:

- **Code** - *calculated*, the reserve item code, XXX-XXX-XXXX.
- **Service Date** - *enter*, date the reserve item was placed in service, last received maintenance or was replaced.
- **Replace Date** - *enter or calculated* *, scheduled date for maintenance, replacement or renovation.
- **Replace Yr:Mn** - *enter or calculated* *, as of the analysis date the number of years and months until the reserve item is scheduled for maintenance or replacement.
- **Current Cost** - *calculated*, current cost of the maintenance or replacement amount.
- **Future Cost** - *calculated*, future cost of the maintenance or replacement amount based on the "rate of inflation" entered in **Financial Parameters**.

* either the "Replace Date" or "Replace Yr:Mn" field is entered and the other field is calculated by the system.

In the "Models" [tab] one line exists for each model type. Based on the row highlighted in the Items [tab] will reveal the models data related to that phase. When defining the project, the number of units per phase (see Phases and Units screen in Define Project) and the number of models per phase (see Phases, Units and Models screen in Define Project) were entered in Define Project. The quantity of a unit reserve item may be different from one model type to another. The quantity amount for each model type is entered in the Models [tab], in the "Count" column. In the Models [tab] the following columns exist with the data entered or calculated as noted:

- **Code** *calculated*, the reserve item code, XXX-XXX-XXXX.
- **Model** - *calculated*, model type (i.e. "A", "B", etc.)

- **Units** - *calculated*, number of units per model type
- **Quantity** - *enter*, the amount (i.e. the number of sq. ft., each, etc.) is entered for the quantity of the reserve item.
- **Basis Cost** - *calculated*, the current cost of each measured basis.
- **Unit Cost** - *calculated*, the unit reserve item cost per model type
- **Current Cost** - *calculated*, current cost of the maintenance, replacement or renovation amount
- **Future Cost** - *calculated*, future cost of the maintenance, replacement or renovation amount based on the "rate of inflation" entered in **Financial Parameters**.

In the Unit Expand [tab], a line exists for each unit designated by the reserve item code in that phase.

Unit reserve items can be tracked as a group by phases, a partial group by phases with individually tracked units or all units be tracked as individual units. The Unit Expand [tab] allows the picking and choosing of the units in which the unit reserve item will be tracked separately for that unit. For example, if there are 10 units in a phase, all 10 units can be tracked together (in which no entry is made in the Unit Expand [tab]), or one unit can be tracked alone with all the others being tracked together, or all 10 units can be tracked separately.

The following exist with the data entered or calculated as noted:

- **Code** - *calculated*, the reserve item code, XXX-XXX-XXXX.
- **Exp** - the Box if the unit reserve item will be tracked separately and the data required must be *entered* into columns noted below. If the Box is not , the unit reserve item will not be tracked separately and will be tracked with the other unit reserve items not being tracked separately.
- **Model** - *calculated*, model type entered in Definition
- **Unit Number** - *calculated*, unit number entered in Definition
- **Quantity** - *enter*, the amount (i.e. the number of sq. ft., each, etc.) is entered for the quantity of the reserve item.
- **Service Date** - *enter*, date reserve item placed in service, last received maintenance or was replaced.
- **Replace Date** - *enter or calculated* *, scheduled date for maintenance or replacement.
- **Replace Yr:Mn** - *enter or calculated* *, as of the analysis date the number of years and months until the reserve item is scheduled for maintenance, replacement or renovation.
- **Current Cost** - *calculated*, current cost of the maintenance, replacement or renovation amount
- **Future Cost** - *calculated*, future cost of the maintenance or replacement amount base on the "rate of inflation" entered in **Financial Parameters**.

Item Notes View Screen :

Accessed from the View New menu or by <clicking> the arrow on the right side of the Item screen title bar.

Note: if all the data was not entered corrected and the data was saved, the reserve item can be **Edited**.

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Logistic-Adjusted-Unit Item

Unit items are directly related to individual units (roofs, doors, interior items, etc.)

Note: the difference between Logistic-Fixed and Logistic-Adjusted, Logistic-Adjusted allows the Estimated Useful Life to be extended or shortened, and then the choice that the recurring projections will use the Estimated Useful Life or the Adjusted Life.

Logistically tracked Unit items are assigned system codes. The first three digits of the code for all unit items represents the phase, building or floor in which that individual unit item exists. If the item was related to phase, building or floor number three, the first three digits of the code would be "003". The second three digits of the code relates to the individual units within the phase, building or floor. If all items in a phase, building or floor are tracked together, the second three digits of the code will be "000". If an item is to be tracked by an individual unit, the second three digits of the code will represent the actual unit number, "034" being unit number 34. The system numbers all the units in a project in succession. If the last unit in a phase, building or floor number three, "003", is 25, "025" being the second three digits, then the first unit in phase, building or floor number four, "004" being the first three digits, is 26, "026" being the second three digits. The last four digits of the code represent the actual reserve item.

Unit Item Code Examples:

- **005-048-0067** - this unit item code is for item number "0067", in unit number "048" located in or on phase, building or floor number 5.
- **003-000-0024** - this unit item code is for item number "0024", in all the units located in or on phase, building or floor number 3.

Note: if there were more than 999 units, the center field would expand to four digits to accommodate 9,999 units.

After determining that the unit item will be tracked Logistic-Adjusted, the New Item page will appear and the following Item Parameters are entered:

- **Master Item** - Allows the selection of items that have been entered in the [Master Item List](#)
- **Description** - *enter*, name of the item.
- **Category** - *enter*, a category name or number can be entered here for tracking capabilities in the Item Parameter and Expenditure reports. If categories have been entered, the list can be accessed by <clicking> the down arrow and then select the category for how this item will be tracked.
- **Tracking** - Phase, building or floor
- **Measurement Basis** - *enter*, the basis in which the basis cost is to be measured (square yards, linear feet, each, etc.).
- **Estimated Useful Life** - *enter*, the original expected life of the item in years and months.
- **Basis Cost** - *enter*, the current cost of each measured basis (\$10/sq. ft., \$25/linear yard, \$500 each, etc.) The cost field has been set for three decimal points to account for half cents, if necessary.

- **Salvage Value** - *enter*, the estimated retrievable value at the time of the analysis date, if the item were to be replaced (i.e. how much could be received for the replaced sofa if sold).

The following menus provide access and functions as follows:

View Menu with the following selections:

- **Item Data** - see Item Data View Screen below
- **Item Notes** - see Item Notes Screen below

Update menu with the following selections:

- **Save New** - will prompt the Save New? box, select Yes or No
- **Cancel New** - will prompt the Cancel New? box, select Yes or No

Item Data View Screen :

The Item Data view screen has three [tabs]: Items, Models and Unit Expanded. In the "Items" [tab] one line exists for each phase. The following columns exist with the data entered or calculated as follows:

- **Code** - *calculated*, the reserve item code, XXX-XXX-XXXX.
- **Service Date** - *enter*, date the reserve item was placed in service, last received maintenance or was replaced.
- **Replace Date** - *enter or calculated* *, scheduled date for maintenance, replacement or renovation.
- **Replace Yr:Mn** - *enter or calculated* *, as of the analysis date the number of years and months until the reserve item is scheduled for maintenance or replacement.
- **Adjust Yr:Mn** - *calculated*, based on the estimated useful life entered in the previous screen that has been adjusted based on the current "Replace Date" or "Replace Yr:Mn"
- **Rcr** - <click> the Box if the item will project to be replaced in the future based on the "Estimated Useful Life". If not <clicked> the item will project to be replaced in the future based on the "Adjust Yr:Mn".
- **Current Cost** - *calculated*, current cost of the maintenance or replacement amount.
- **Future Cost** - *calculated*, future cost of the maintenance or replacement amount based on the "rate of inflation" entered in **Financial Parameters**.

* enter either the Service Date, Replace Date or Replace Yr:Mn and the other two are calculated by the system.

In the "Models" [tab] one line exists for each model type. Based on the row highlighted in the Items [tab] will reveal the models data related to that phase. When defining the project, the number of units per phase (see Phases and Units screen in Define Project) and the number of models per phase (see Phases, Units and Models screen in Define Project) were entered in Define Project. The quantity of a unit reserve item may be different from one model type to another. The quantity amount for each model type is entered in the Models

[tab], in the "Count" column. In the Models [tab] the following columns exist with the data entered or calculated as noted:

- **Code** *calculated*, the reserve item code, XXX-XXX-XXXX.
- **Model** - *calculated*, model type (i.e. "A", "B", etc.) entered in Definition
- **Units** - *calculated*, number of units per model type entered in Definition
- **Quantity** - *enter*, the amount (i.e. the number of sq. ft., each, etc.) is entered for the quantity of the reserve item.
- **Basis Cost** - *calculated*, the current cost of each measured basis.
- **Unit Cost** - *calculated*, the unit reserve item cost per model type
- **Current Cost** - *calculated*, current cost of the maintenance, replacement or renovation amount
- **Future Cost** - *calculated*, future cost of the maintenance, replacement or renovation amount based on the "rate of inflation" entered in **Financial Parameters**.

In the Unit Expand [tab], a line exists for each unit designated by the reserve item code in that phase.

Unit reserve items can be tracked as a group by phases, a partial group by phases with individually tracked units or all units be tracked as individual units. The Unit Expand [tab] allows the picking and choosing of the units in which the unit reserve item will be tracked separately for that unit. For example, if there are 10 units in a phase, all 10 units can be tracked together (in which no entry is made in the Unit Expand [tab]), or one unit can be tracked alone with all the others being tracked together, or all 10 units can be tracked separately.

The following exist with the data entered or calculated as noted:

- **Code** - *calculated*, the reserve item code, XXX-XXX-XXXX.
- **Model** - *calculated*, model type unit number entered in Definition
- **Unit Number** - *calculated*, unit number entered in Definition
- **Exp** - <click> the Box if the unit reserve item will be tracked separately and the data required must be *entered* into columns noted below. If the Box is not <clicked>, the unit reserve item will not be tracked separately and will be tracked with the other unit reserve items not being tracked separately.
- **Quantity** - *enter*, the amount (i.e. the number of sq. ft., each, etc.) is entered for the quantity of the reserve item.
- **Service Date** - *enter*, date reserve item placed in service, last received maintenance or was replaced.
- **Replace Date** - *enter or calculated* *, scheduled date for maintenance or replacement.
- **Replace Yr:Mn** - *enter or calculated* *, as of the analysis date the number of years and months until the reserve item is scheduled for maintenance, replacement or renovation.

- **Adjust Yr:Mn** - *calculated*, based on the estimated useful life entered in the previous screen that has been adjusted based on the current "Replace Date" or "Replace Yr:Mn"
- **Rcr** - <click> the Box if the item will project to be replaced in the future based on the "Estimated Useful Life". If not <clicked> the item will project to be replaced in the future based on the "Adjust Yr:Mn".
- **Current Cost** - *calculated*, current cost of the maintenance, replacement or renovation amount
- **Future Cost** - *calculated*, future cost of the maintenance or replacement amount base on the "rate of inflation" entered in **Financial Parameters**.

Item Notes View Screen:

Accessed from the View New menu or by <clicking> the arrow on the right side of the Item screen title bar. Two types of notes can be entered regarding "Reporting" and "Maintenance".

Note: if all the data was not entered corrected and the data was saved, the reserve item can be **Edited**.

Cycle-Unit Item

Unit items are directly related to individual units (roofs, doors, interior items, etc.)

Unit items can be cycle tracked when there are multiples or large quantities of these items to be replaced over a recurring period of time. They are budgeted based on their Estimated Useful Life. Cycle tracking gives the flexibility of spreading expenditures of a reserve item over a desired number of years of its Estimated Useful Life.

Example 1: If the reserve item has a five year Estimated Useful Life and the expenditures are to be done over a two year period, then in year four 50% of the expenditures are scheduled and year five 50% of the expenditures are scheduled. Then the five year Estimated Useful Life would start over again or Cycle (this would be entered as Cycle Period - 5 years, Expenditure 2 years).

Example 2: If the reserve item has a five year Estimated Useful Life and the expenditures are to be done over the five year period, then in year four 20% of the expenditures are scheduled each year of the five year Estimated Useful Life. Then the five year Estimated Useful Life would start over again or Cycle (this would be entered as Cycle Period - 5 years, Expenditure 5 years).

The system generates the data for projecting the expenditures (i.e. expenditures of five years would generate five rows of data).

The assigned system code for unit cycle tracking starts with 720 specifying that this a common area item that is tracked on a cycle. The next three digits designates the row of data and the last four digits the unit item itself (i.e. 720-010-0147).

After determining that the common area item will be tracked on a cycle, the New Item page will appear and the following Item Parameters are entered:

- **Master Item** - Allows the selection of items that have been entered in the **Master Item List**
- **Description** - *enter*, name of the item (master item criteria can be over written).
- **Category** - *enter or select*, a category name or number can be entered here for category tracking capabilities in the Item Parameter and Expenditure reports. If categories have been entered, the list can be accessed by <clicking> the down arrow and then select the category for how this item will be tracked (master item criteria can be over written).
- **Start Year Next Cycle**- *select*, the year the cycle of will begin
- **Expenditures** - *select*, when during the year the budgeted expenditures will be disbursed (annually, semi-annually or quarterly).
- **Measurement Basis** - *enter*, the basis in which the basis cost is to be measured (square yards, linear feet, each, etc.) (master item criteria can be over written).
- **Basis Cost** - *enter*, the current cost of each measured basis (\$10/sq. ft., \$25/linear yard, \$500 each, etc.) The cost field has been set for three decimal points to account for half cents, if necessary (master item criteria can be over written).
- **Estimated Useful Life** - *enter*, the original expected life of the item in years and months (master item

criteria can be over written).

- **Annual Reserve Percentage** - *calculated* , based on the Estimated Useful Life entered
- **Quantity** - *calculated*, based on the Count amount entered in the Item Data View screen

The following menus provide access and functions as follows:

View menu with the following selections:

- **Item Data** - see Item Data View Screen below
- **Item Notes** - see Item Notes Screen below

Update menu with the following selections:

- **Save New** - will prompt the Save New? box, select Yes or No
- **Cancel New** - will prompt the Cancel New? box, select Yes or No

Item Data View Screen :

In the Item Data view screen, in the **Items** [tab] one line exists if the common area reserve item is tracked as a single item or multiple lines based on number entered for Multi tracking. The following columns exist with the data entered or calculated as noted:

- **Code** - *calculated* , the reserve item code, 720-XXX-XXXX.
- **Service Year** - *calculated* , initial Service Year calculated based on the Start Year selected in Item Parameters
- **Replace Year** - *calculated* , initial Replace Year calculated based on the Service Year and the Estimated Useful Life
- **Remaining Years** - *calculated* , initial Remaining Years calculated based the Analysis Date and the Replace Year
- **Quantity** - *calculated* , the amount (i.e. the number of Sq. Ft., each, etc.) is generated from the quantities entered the Models [tab].
- **Current Cost** - *calculated* , current cost of the maintenance or replacement amount.
- **Future Cost** - *calculated* , future cost of the maintenance or replacement amount based on the "rate of inflation" entered in **Financial Parameters** .

In the Item Data view screen, in the **Models** [tab] on line exists for each model type. The quantity items that exist in a model are entered in Count. The following columns exist with the data entered or calculated as noted:

- **Code** - *calculated* , the reserve item code, 720-XXX-XXXX.
- **Model** - *calculated* , model type (i.e. "A", "B", etc.) entered in Definition

- **Units** - *calculated* , number of units per model type entered in Definition
- **Quantity** - *enter*, the amount (i.e. the number of sq. ft., each, etc.) is entered for the quantity of the reserve item.
- **Basis Cost** - *calculated* , the current cost of each measured basis (\$10/sq. ft., \$25/linear yard, \$500 each, etc.) The cost field has been set for three decimal points to account for half cents, if necessary (master item criteria can be over written).
- **Unit Cost** - *calculated* , the Quantity x Basis Cost
- **Current Cost** - *calculated* , current cost of the maintenance or replacement amount.
- **Future Cost** - *calculated* , future cost of the maintenance or replacement amount based on the "rate of inflation" entered in **Financial Parameters** .

Item Notes View Screen :

Accessed from the View New menu or by <clicking> the arrow on the right side of the Item screen title bar.

Note: if all the data was not entered correctly and the data was saved, the reserve item can be **Edited** .

One Time-UI

One Time method tracking is for unit reserve items that will not be maintained or replaced in the future. Based on the Replace Yr:Mn entered as of the analysis date or after, a one time expenditure will be made. The Estimated Useful Life is not a factor in one time method tracking.

Last Updated: August 15,2011

Common Area Items

Common Area items benefit part or all of a property (i.e. pools, parking lots, streets, clubhouse, etc.) The system offers three methods of tracking common area items:

- **Logistical-Fixed**
 - **Logistical-Adjusted**
 - **Cycle**
 - **One Time**
-

Last Updated: 2011-08-15

Logistic-Fixed-Common Area Item

Common Area items benefit part or all of a property (i.e. pools, parking lots, streets, clubhouse, etc.)

Note: the difference between Logistic-Adjusted and Logistic-Fixed, Logistic-Fixed does not allow the Estimated Useful Life to be extended or shortened, or the choice that the recurring projections will use the Estimated Useful Life or the Adjusted Life.

Logistically tracked Common Area items are assigned system codes if a single item or multiple items together as follows:

- **Single** - an individual common area item which benefits the property. The system code for an item of this type would be "910-000-0014". "910" representing that there is only one of this common area item, "000" that the item relates to the overall property, and "-0014" is the actual reserve item number.
- **Multi** - more than one of the same common area items which benefits the whole project. The system code for an item of this type would be "920-001-0015". "920" representing that it is a common area item of more than one, "001" that it is number one, the first of a number of the same items and the second item would be "002", etc., and "0015" is the actual item number.

After determining that the common area item will be tracked Logistic-Fixed, the New Item page will appear and the following Item Parameters are entered:

- **Master Item** - Allows the selection of items that have been entered in the [Master Item List](#)
- **Type** - Common Area
- **Description** - *enter*, name of the item (master item criteria can be over written).
- **Category** - *enter or select*, a category name or number can be entered here for category tracking capabilities in the Item Parameter and Expenditure reports. If categories have been entered, the list can be accessed by <clicking> the down arrow and then select the category for how this item will be tracked (master item criteria can be over written) .
- **Tracking** - *enter*, "1" for a single item or the number of multiple items (master item criteria can be over written).
- **Method** - *select*, Fixed or Adjusted
- **Measurement Basis** - *enter*, the basis in which the basis cost is to be measured (square yards, linear feet, each, etc.) (master item criteria can be over written).
- **Estimated Useful Life** - *enter*, the original expected life of the item in years and months (master item criteria can be over written).
- **Basis Cost** - *enter*, the current cost of each measured basis (\$10/sq. ft., \$25/linear yard, \$500 each, etc.) The cost field has been set for three decimal points to account for half cents, if necessary (master item criteria can be over written).
- **Freight & Labor** - *enter*, the current cost for receiving, installing or renovating

- **Salvage Value** - *enter*, the estimated retrievable value at the time of the analysis date, if the item were to be replaced (i.e. how much could be received for the replaced sofa if sold).

The following menus provide access and functions as follows:

View menu with the following selections:

- **Item Data** - see Item Data View Screen below
- **Item Notes** - see Item Notes Screen below
- **Item Image** - see Item Image Screen below

Update menu with the following selections:

- **Save New** - will prompt the Save New? box, select Yes or No
- **Cancel New** - will prompt the Cancel New? box, select Yes or No

Item Data View Screen:

In the Item Data view screen, one line exists if the common area reserve item is tracked as a single item or multiple lines based on number entered for Multi tracking. The following columns exist with the data entered or calculated as noted:

- **Code** - *calculated*, the reserve item code, XXX-XXX-XXXX.
- **Service Date** - *enter or calculated*, date the reserve item was placed in service, last received maintenance or was replaced.
- **Replace Date** - *enter or calculated*, scheduled date for maintenance, replacement or renovation (the difference between the Service Date and Replace Date will always equal the Estimated Useful Life).
- **Replace Yr:Mn** - *enter **, as of the analysis date the number of years and months until the reserve item is scheduled for maintenance or replacement.
- **Count** - *enter*, the amount (i.e. the number of Sq. Ft., each, etc.) is entered for the quantity of the reserve item.
- **Current Cost** - *calculated*, current cost of the maintenance or replacement amount.
- **Future Cost** - *calculated*, future cost of the maintenance or replacement amount based on the "rate of inflation" entered in [Global Parameters](#).

* either the Replace Yr:Mn and the Service Date and Replace Date are calculated by the system.

Item Notes View Screen:

Accessed from the View New menu or by <clicking> the arrow on the right side of the Item screen title bar. Two types of notes can be entered regarding "Reporting" and "Maintenance".

Item Image View Screen:

Accessed from the View New menu or by <clicking> the arrow on the right side of the Item screen title bar. To attach an Image <click> the browse [button].

Note: if all the data was not entered correctly and the data was saved, the reserve item can be **Edited**.

Last Updated: 2011-08-15

Logistic-Adjusted-Common Area Item

Common Area items benefit part or all of a property (i.e. pools, parking lots, streets, clubhouse, etc.)

Note: the difference between Logistic-Fixed and Logistic-Adjusted, Logistic-Adjusted allows the Estimated Useful Life to be extended or shortened, and then the choice that the recurring projections will use the Estimated Useful Life or the Adjusted Life.

Logistically tracked Common Area items are assigned system codes if a single item or multiple items together as follows:

- **Single** - an individual common area item which benefits the property. The system code for an item of this type would be "910-000-0014". "910" representing that there is only one of this common area item, "000" that the item relates to the overall property, and "-0014" is the actual reserve item number.
- **Multi** - more than one of the same common area items which benefits the whole project. The system code for an item of this type would be "920-001-0015". "920" representing that it is a common area item of more than one, "001" that it is number one, the first of a number of the same items and the second item would be "002", etc., and "0015" is the actual item number.

After determining that the common area item will be tracked Logistic-Adjusted, the New Item page will appear and the following Item Parameters are entered:

- **Master Item** - Allows the selection of items that have been entered in the [Master Item List](#)
- **Type** - Common Area
- **Description** - *enter*, name of the item (master item criteria can be over written).
- **Category** - *enter or select*, a category name or number can be entered here for category tracking capabilities in the Item Parameter and Expenditure reports. If categories have been entered, the list can be accessed by <clicking> the down arrow and then select the category for how this item will be tracked (master item criteria can be over written) .
- **Tracking** - *enter*, "1" for a single item or the number of multiple items.
- **Method** - *select*, Fixed or **Adjusted**
- **Measurement Basis** - *enter*, the basis in which the basis cost is to be measured (square yards, linear feet, each, etc.) (master item criteria can be over written).
- **Estimated Useful Life** - *enter*, the original expected life of the item in years and months (master item criteria can be over written).
- **Basis Cost** - *enter*, the current cost of each measured basis (\$10/sq. ft., \$25/linear yard, \$500 each, etc.) The cost field has been set for three decimal points to account for half cents, if necessary (master item criteria can be over written).
- **Salvage Value** - *enter*, the estimated retrievable value at the time of the analysis date, if the item were to be replaced (i.e. how much could be received for the replaced sofa if sold).

The following menus provide access and functions as follows:

View menu with the following selections:

- **Item Data** - see Item Data View Screen below
- **Item Notes** - see Item Notes Screen below

Update menu with the following selections:

- **Save New** - will prompt the Save New? box, select Yes or No
- **Cancel New** - will prompt the Cancel New? box, select Yes or No

Item Data View Screen :

In the Item Data view screen, one line exists if the common area reserve item is tracked as a single item or multiple lines based on number entered for Multi tracking. The following columns exist with the data entered or calculated as noted:

- **Code** - *calculated*, the reserve item code, XXX-XXX-XXXX.
- **Service Date** - *enter or calculated*, date the reserve item was placed in service, last received maintenance or was replaced.
- **Replace Date** - *enter or calculated* *, scheduled date for maintenance, replacement or renovation
- **Replace Yr:Mn** - *enter or calculated* *, as of the analysis date the number of years and months until the reserve item is scheduled for maintenance or replacement.
- **Adjust Yr:Mn** - *enter or calculated* *, based on the estimated useful life entered in the previous screen that has been adjusted based on the current "Replace Date" or "Replace Yr:Mn"
- **Rcr** - <click> the Box if the item will project to be replaced in the future based on the "Estimated Useful Life". If not <clicked> the item will project to be replaced in the future based on the "Adjust Yr:Mn".
- **Quantity** - *enter*, the amount (i.e. the number of Sq. Ft., each, etc.) is entered for the quantity of the reserve item.
- **Current Cost** - *calculated*, current cost of the maintenance or replacement amount.
- **Future Cost** - *calculated*, future cost of the maintenance or replacement amount based on the "rate of inflation" entered in **Financial Parameters** .

* enter either the Service Date, Replace Date or Replace Yr:Mn and the other two are calculated by the system.

Item Notes View Screen :

Accessed from the View New menu or by <clicking> the arrow on the right side of the Item screen title bar.

Note: if all the data was not entered correctly and the data was saved, the reserve item can be **Edited**.

Last Updated: 2011-08-15

Cycle-Common Area Item

Common Area items benefit part or all of a property (i.e. pools, parking lots, streets, clubhouse, etc.)

Common Area items can be cycle tracked when there are multiples or large quantities of these items to be replaced over a recurring period of time. They are budgeted based on their Estimated Useful Life. Cycle tracking gives the flexibility of spreading expenditures of a reserve item over a desired number of years of its Estimated Useful Life.

Example 1: If the reserve item has a five year Estimated Useful Life and the expenditures are to be done over a two year period, then in year four 50% of the expenditures are scheduled and year five 50% of the expenditures are scheduled. Then the five year Estimated Useful Life would start over again or Cycle (this would be entered as Cycle Period - 5 years, Expenditure 2 years).

Example 2: If the reserve item has a five year Estimated Useful Life and the expenditures are to be done over the five year period, then in year four 20% of the expenditures are scheduled each year of the five year Estimated Useful Life. Then the five year Estimated Useful Life would start over again or Cycle (this would be entered as Cycle Period - 5 years, Expenditure 5 years).

The system generates the data for projecting the expenditures (i.e. expenditures of five years would generate five rows of data).

The assigned system code for common area cycle tracking starts with 820 specifying that this a common area item that is tracked in a cycle. The next three digits designates the row of data and the last four digits the unit item itself (i.e. 820-010-0147).

After determining that the common area item will be tracked on a cycle, the New Item page will appear and the following Item Parameters are entered:

- **Master Item** - Allows the selection of items that have been entered in the **Master Item List**
- **Description** - *enter*, name of the item (master item criteria can be over written).
- **Category** - *enter or select*, a category name or number can be entered here for category tracking capabilities in the Item Parameter and Expenditure reports. If categories have been entered, the list can be accessed by <clicking> the down arrow and then select the category for how this item will be tracked (master item criteria can be over written).
- **Start Year Next Cycle**- *select*, the year the cycle of will begin
- **Expenditures** - *select*, when during the year the budgeted expenditures will be disbursed (annually, semi-annually or quarterly).
- **Measurement Basis** - *enter*, the basis in which the basis cost is to be measured (square yards, linear feet, each, etc.) (master item criteria can be over written).
- **Basis Cost** - *enter*, the current cost of each measured basis (\$10/sq. ft., \$25/linear yard, \$500 each, etc.) The cost field has been set for three decimal points to account for half cents, if necessary (master item criteria can be over written).
- **Cycle Period / Expenditures** - *enter*, the Cycle Period is the Estimated Useful Life and the Expenditures is

number of years expenditures will be scheduled during the Estimated Useful Life (see Examples 1 and 2 above).

- **Annual Reserve Percentage** - *calculated*, based on the Estimated Useful Life entered
- **Quantity** - *calculated*, based on the Quantity amount entered in the Item Data View screen

The following menus provide access and functions as follows:

View menu with the following selections:

- **Item Data** - see Item Data View Screen below
- **Item Notes** - see Item Notes Screen below

Update menu with the following selections:

- **Save New** - will prompt the Save New? box, select Yes or No
- **Cancel New** - will prompt the Cancel New? box, select Yes or No

Item Data View Screen :

In the Item Data view screen, one line exists if the common area reserve item is tracked as a single item or multiple lines based on number entered for Multi tracking. The following columns exist with the data entered or calculated as noted:

- **Code** - *calculated*, the reserve item code, 820-XXX-XXXX.
- **Service Year** - *calculated*, initial Service Year calculated based on the Start Year selected in Item Parameters
- **Replace Year** - *calculated*, initial Replace Year calculated based on the Service Year and the Estimated Useful Life
- **Remaining Years** - *calculated*, initial Remaining Years calculated based the Analysis Date and the Replace Year
- **Quantity** - *enter*, the amount (i.e. the number of Sq. Ft., each, etc.) is entered for the quantity of the reserve items in each data row to be replaced.
- **Current Cost** - *calculated*, current cost of the maintenance or replacement amount.
- **Future Cost** - *calculated*, future cost of the maintenance or replacement amount based on the "rate of inflation" entered in **Financial Parameters**.

Item Notes View Screen :

Accessed from the View New menu or by <clicking> the arrow on the right side of the Item screen title bar.

Note: if all the data was not entered correctly and the data was saved, the reserve item can be **Edited**.

Last Updated: 2011-08-15

One Time-CAI

One Time method tracking is for common area reserve items that will not be maintained or replaced in the future. Based on the Replace Yr:Mn entered as of the analysis date or after, a one time expenditure will be made. The Estimated Useful Life is not a factor in one time method tracking.

Last Updated: August 15,2011

Edit/Delete Item

In the Work Area, the View menu provides access to reserve Items by row in the property for editing or deleting. By <clicking> on a row the Edit/Delete Item page will be appear for that reserve item. Changes will be reflected as they are made but will not be saved to the database until Save has been <clicked> on the Update menu.

Note: any New Items or Edits or Deletes saved will not remain in the database unless Work Area is also Saved via the Work Area Update menu.

Last Updated: 2011-08-15

System Code Format

The system tracks each individual item by a ten digit code number. The format of this code is 000-000-0000 and is used differently for common area and unit items. The first and second three digit portions of the code relate to tracking an item if it is a common area or unit item, and the last four digits relates to the individual item itself. The system will assign the next available item number when adding an item. No two individual items, whether a common area or unit item, can have the same four digit item code number or identical description. The following explains how the first and second three digit portions of the code are utilized for common area and unit items.

Common Area Items:

The first three digits of the code for common area items tracked Logistic-Fixed or Logistic-Adjusted is either "910", "920" or "930". The first and second three digits of the code represent the common area items in one of three ways:

- **Single** (910-000) - if there is only one individual common area item of that type, the second three digits of the code will be "000",
- **Multi** (920-001, 002, etc.) - if there are more than one of this common area item type, the second three digits of the code will be on a counter for how many items exist, "001", "002", etc.,

Common Area Codes Examples:

- **910-000-0012** - this common area item code is for item number "0012", where there is only one of this item.
- **920-002-0010** - this common area item code is for item number "0010", in which this is number "002" of these items.
- **930-006-0089** - this common area item code is for item number "0089", which is related to phase, building or floor number "6".

If Common area item is tracked financially, the first three numbers of the code are 820.

Units Items:

The first three digits of the code for all unit items tracked Logistic-Fixed and Logistic-Adjusted represents the phase, building or floor in which that individual unit item exists. If the item was related to phase, building or floor number three, the first three digits of the code would be "003". The second three digits of the code relates to the individual units within the phase, building or floor. If all items in a phase, building or floor are tracked together, the second three digits of the code will be "000". If an item is to be tracked by an individual unit, the second three digits of the code will represent the actual unit number, "034" being unit number 34. The system numbers all the units in a project in succession. If the last unit in phase, building or floor number three, "003", is 25, "025" being the second three digits, then the first unit in phase, building or floor number four, "004" being the first three digits, is 26, "026" being the second three digits. The last four digits of the code represent the actual item.

Unit Item Code Examples:

- **005-048-0067** - this unit item code is for item number "0067", in unit number "048" located in or on phase, building or floor number 5.

- **003-000-0024** - this unit item code is for item number "0024", in all the units located in or on phase, building or floor number 3.

Note: if there were more than 999 units, the center field would expand to four digits to accommodate 9,999 units.

If Unit item is tracked financially, the first three numbers of the code are 720.

Tax Code Formats - will be seen in the Expenditure report are as follows: 990-000-9990

Deferred Expenditures - will be seen in the Expenditure report are as follows: 990-000-9991

Last Updated: 2011-08-15

Reserve Item Update

The Reserve Item Update area of the system is for quick updating of item parameters from period to period. This quick update area cannot be utilized for adding or deleting items. The update screen is for items that existed as of the previous period, and where it is only necessary to update the service dates, replacement dates or years\months, basis costs or recur switches as of the analysis date. The update area is designed to work in conjunction with the Worksheets. The Worksheet and the update screen can be printed and viewed, respectively, in the same sequential order, so data from the Analysis Worksheet can be entered directly into the update screen. The update menu has the following selections as follows:

- Item Basis Cost - for updating all reserve items basis costs
- Common Area-Logistic - for updating service date, replace date, replace yr:mn and recur
- Unit-Logistic - for updating service date, replace date, replace yr:mn and recur
- Expanded-Logistic (unit) - for updating service date, replace date, replace yr:mn and recur
- Worksheet - available in Reports under Item Parameter

Worksheet contains item parameter data as of the last analysis, printed individually for common area, unit and expanded unit items, and blank worksheets.

Once Common Area, Unit or Expanded is selected, the order of viewing is presented. The viewing order can be either by Code or Alphabetical.

Replacement date or years/months can be changed (which will change each other) and which will change the common area and unit Cost Calculation databases, screens and the unit Expand databases and screens.

When entering the basis cost of an item, only the basis cost of the first (items with the same four digit item code) like items can be changed. This will automatically update the basis cost of all the other like items. Basis costs can not be tracked differently by unit or phase, building or floor for an individual item. Changing the basis cost of the first sequential item in the update screen, will flow through to the common area and unit Cost Calculation screens and the Expand screens.

Global Parameters

The following Global Parameters are entered and adjusted for doing "what if" scenarios and tailoring the analysis for optimization:

Financial Parameters below can be edited at anytime and the system will recalculate and update all reports:

- Analysis Date * - *enter*, date of the analysis (which will be for the following 10, 20 or 30 years as defined in project criteria)
- Rate of inflation * - *enter*, percentage for calculating future cost of reserve items
- Contribution Factor * - *enter*, annual cost of living increase applied contribution
- Adjustment Factor * - *enter*, for optimizing the contribution amount based on the reserve profile (see "Optimizing the Analysis Results")
- Contingency Factor (%) * - *enter*, percent of the current cost of the portfolio
- Contingency Time * - *enter*, number of months over which the contingency amount is funded
- Input Contribution - *enter*, the desired monthly contribution amount and the annual percentage change

* these parameters were initially entered in [Definition](#)

Property Criteria - see [Property Criteria](#) in Definition

Annual Contribution - *enter*, relates to the Contribution Factor, where the annual cost of living increase can be adjusted annually for each years projected contribution

Loan/Special Assessment - *enter*, the desired loan and special assessment amounts for any month or months desired for the next 30 years (reflected in the contribution column of the cash flows, see below for expanded explanation)

Deferred Expenditures - *enter*, the planned deferred expenditure amounts for any month or months desired for the next 30 years (reflected in the expenditure column of the cash flows, see below for expanded explanation)

Adjusted Contribution - *enter*, the annual calculated contribution can be adjusted to estimate when the contributions will be collected during the year on a monthly basis. Enter the percentage per the calendar month and these entered percentage must equal 100%

Custom Merge Fields - *enter*, custom merge fields can be added to Merge Field List box, enter the Field Name and the Field Value (name for the merge link), see [Report Writer-Editor](#)

Taxes - *enter*, rate paid on investment income, calculated for taxes paid annually (1120h tax form), quarterly (1120 tax form) or monthly (see "Tax Rate Methods" below for a detailed explanation)

The system offers the option of calculating and paying taxes on an annual, quarterly or monthly basis. Upon entering a tax rate, press <enter>. Move the cursor bar over the desired tax payment method and press <enter>. The following paragraphs explain each method.

- **Annual Method** - taxes paid out will reflect tax, on interest earned, for a full year. Upon selecting the annual method, a screen will appear which will display the twelve months of the year. Move the cursor over the last month of the fiscal year or over December if on a calendar year end, and press <enter>. This month will now appear as the "month period end". Next enter at "months payment deferred", in how many months the tax payment is due or is planned to be paid. If the month selected was September on a fiscal year, tax would be calculated on interest earned from October of the previous year through September of the current year. Assuming a January 1, analysis date, the system calculates the interest from January through September, but does not know the amount of interest earned in the previous year from October through December. This amount of interest earned from October through December must be entered in "previous Interest" for the system to calculate any tax on this interest. The gross interest earned will be reflected in the interest earned column and taxes paid will be shown in the expenditure column in the projected cash flow report.
- **Quarterly Method** - taxes paid out will reflect taxes, on interest earned, for each quarter . Upon selecting the quarterly method, a screen will appear which will display the month ends for the four quarters of the year. Move the cursor over the quarter ends of the fiscal year or over "Mar Jun Sep Dec" if on a calendar year end, and press <enter>. These four months will now appear as the "month period end". If the "month period end" was "Jan Apr Jul Oct ", a fiscal year, tax should be paid on interest earned from November of the previous year through January of the current year. Assuming the analysis date January 1, the system calculates the interest for January, but does not know the amount of interest earned for November and December. The amount of interest earned for November and December of the previous year must be entered in "previous Interest earned" for the system to calculate any tax on this interest. The gross interest earned will be reflected in the interest earned column and taxes paid will be shown in the expenditure column in the projected cash flow report.
- **Monthly Method** - the tax rate is applied to the investment rate and net investment rate is reflected in the interest earned column of the cash flow report. No taxes paid is reflected in the expenditure column of the cash flow report.

Loan/Special Assessment and Deferred Expenditures:

The system includes Loan/Special Assessment and Deferred Expenditure features for customizing financial planning through the cash flow projections. Where a property is short of funds and there is a need for a loan or special assessment, to borrow money or negotiating large maintenance and replacement contracts, and for scheduling of pay backs and payments to be made over the future months and years. Once the normal analysis is performed, these features will overlay on the existing cash flows. With the use of these two features and the other Global parameters, complete tailored plans can be prepared taking into account the scheduled individuals needs of the property.

Adjustable Contribution Process:

The adjustable contribution option would be utilized when fees are not collected on a monthly basis during the year. This is likely when the ownership format is different than wholly owned, where maintenance fees are normally collected on a monthly basis. In a one week, one month, quarter share, etc. ownership (where fees might be billed on an annual, semi-annual, quarterly basis), the fees might be received as projectable percentages during certain months of the year. After projecting the percentage of fees which will be received each month, this data can be entered into the Adjustable Contribution screen. The total contribution amount which was calculated for the year will be reallocated on a percentage basis per month by the percentages which were entered in the Adjustable Contribution screen. After the system has recalculated the data, the overall contribution can be optimized, due to additional interest being earned at the beginning of the year. (See "Optimizing the Analysis Results"). When utilizing the adjustable contribution feature, the reserve summary report and the model allocation report will reflect the results in the adjusted cash flow.

The following procedures should be followed when utilizing the contribution adjustment feature:

1. Initially have the contribution adjustment feature turned off.
2. After all item data has been entered or updated, perform the optimization of the analysis after
3. determining the rate of inflation, rate of investment, tax rate and tax payment method, contribution factor, contingency factor and percentage, and special assessment if any.
4. Return to the Project Criteria screen in Project Define, select Adjustable Contribution by moving the cursor over the number 10 and press <enter>.
5. A screen has now been prompted showing the twelve months of the year. Move the cursor to yes and press <enter>, which will allow entering the percentages projected of the annual contribution amount which will be received each month.
6. After entering the percentages per month, press <escape> to return to the Project Criteria screen (Note: if the percentages entered do not equal 100% or 0%, the system will prompt that 100% or 0% must exist before being able to escape, so adjust percentages accordingly).
7. Return to the project work area, and once again perform the optimization of the reserve analysis utilizing the Adjustment Factor (see "Optimizing the Analysis Results").

Note: the overall contribution per year should be reviewed to be lowered due to additional principal earning interest at the beginning of the year.

Once the data is entered, <click> the right arrow to move to the Cash Management screen.

Cash Management

The Cash Management module is designed to track the portfolio of investments of the reserve funds. Each account or instrument can be tracked separately. The interest earned on each instrument is calculated on a monthly basis and the total interest received for each month is then reflected for that month in the monthly cash flow.

The system is designed with a "catch all" Primary Account. As of the Analysis Date the "Total Cash Balance" (for all cash instruments as of the Analysis Date) is entered into the Primary Account. As additional cash instruments (with balances as of the Analysis Date) are entered into Cash Management, the principal amounts of those cash instruments will be deducted from the Primary Account's "Total Cash Balance". If additional cash instruments have an Initial Date after the Analysis Date they will be deducted at that time.

When cash instruments mature, the cash is added back to the Primary Account. If cash instruments that earn interest that does not compound, the interest is "swept" back to the Primary Account. When secondary cash instruments are entered, their Initial Date must be as of or after the Analysis Date.

The initial setup of Cash Management in the Project Data section (top of Cash Management screen) is for the Primary Account:

- **Beginning Balance** - *enter*, the total amount of all cash instruments as of the Analysis Date
- **Interest Rate** - *enter*, the interest for the first year of the analysis

The Primary Account's future interest rates (after the initial year of the analysis) can be entered in View-Secondary Interest (top left corner of the Cash Management screen). Interest rates can be entered for second, third, fourth, fifth and sixth year of the analysis. What ever rate is entered for sixth year will be used for the next 24 years.

In the Edit/Delete, the Primary Accounts Description can be changed and an Account Number entered. All other fields are defaulted.

Additional cash instruments can be entered <clicking> "New" in the Instruments menu. The following data is entered:

- **Description** - Name of the Bank or financial institution
- **Account Number**
- **Initial Date** - defaults to the analysis date, or change to a future date (cannot be prior to the Analysis Date)
- **Maturity Date** - *enter*, date that the cash instrument matures
- **Tax Free** - <click>, if the cash instrument is Tax Free
- **Principal** - *enter*, total cash balance as of the Analysis Date
- **Interest Rate** - *enter*, interest to be earned
- **Compounded Term** - *select*, monthly, quarterly, semi-annually, annually, daily 360 or daily 365

- **Interest Paid** - *select*, per compounded or end of term

The system will keep track of which funds are committed (based on the term) and the related accrued interest (based on when paid or swept). This information is then used for producing a Cash Availability report which will reflect the balance of liquid funds of the projected funds reflected in the cash flow projections. These monthly liquid fund balances will then be compared to the scheduled expenditures for that month, presenting a variance analysis.

More cash can be invested than cash available. If this happens, then excessive interest is calculated which would not be earned. The Warning system will indicate when this has occurred and will also be reflected in the Cash Availability report. Before any analyses are finalized: check the Warning system and the Cash Availability report.

Last Updated: 2011-08-15

Reports

The system data bases have been formulated and calculated by entering the item data and financial parameters. Based upon the data bases the following reports can be viewed, printed or saved to a text file:

- **Item Parameter** - can be displayed in numerous formats
- **Expenditure** - reports for items based on scheduled replacement, the expenditures and net of salvage projected for each analysis period and the "annual matrix" report (accessible by turning order to code and turning the matrix switch to yes)
- **Cash Flow** - three reports are available; an "annual", "monthly" and "annual matrix" version
- **Analysis Summary** - summary of the financial data calculated and the contribution amount
- **Cash Management** - detail of accounts and cash availability
- **Phases, Units & Models** - this is the setup for phases, buildings or floors, units and model information
- **Unit Address** -
- **Model Allocation** - the pro rata share of the contribution amount for each model, available by analysis period
- **Definition** - recap of all project criteria and parameters All reports can be viewed, printed to a printer or printed to text file. If desiring to print to a text file, press [F2] for access to the Print Console.
- **Supplemental Reports** - five reports are available: Percent Funded-Annual, Percent Funded-Portfolio,
- **Allocation Reports** - Percent Funded-Allocation, Accountants Florida-Reserve Disclosures, California-Reserve Disclosures and Component Funding Analysis

Report Preview

Report Preview (menu):

Save to Report Builder - *<click>*, Save to Report Builder screen will appear, edit name if desired and *<click>* Save, this report will be available in the Report Builder for final report production

Print - *<click>*, to open Print screen

Print Preview - *<click>*, to see what printed report will look like

Close - *<click>* to close Report Preview

Export to (menu): all exported reports are save to the local C drive and not to the central server, note the path where the document is saved for future retrieval

Acrobat (PDF) Document - *<click>*, and Save As screen will appear

Word (RTF) Document - *<click>*, and Save As screen will appear, document can be edited in Word and then saved as a Word doc

Excel (CSV) Document - *<click>*, and Save As screen will appear, document can be edited in Excel and then saved as a Excel file

Editor (menu):

Enable Edit - *<click>*, a full text editor will be enable, any edits made can exported to Acrobat, Word or Excel, edits will not be included when saving to the Report Builder

Position Header - *<click>*, to edit header

Position Footer - *<click>*, to edit footer

Report-Chart Settings

Fonts (menu): it is recommended to select fonts that are narrow so as to not cause rows of data to over flow

Report Body (Data) - <click>, Font menu will appear

Column Labels - <click>, Font menu will appear

Report Title - <click>, Font menu will appear

Header - <click>, Font Menu will appear

Headers (menu): headers can be customized for Report Preview and the Report Builder

Print - select on or off, when off, no headers will visible except for the report name

The following can be selected to be included in the header:

Property Name

Analysis Date

Global Parameters

Border Line

Page Number and Count

Top Line Text - select and custom text can be entered in the "Top Line Custom Text"

Bottom Line Text - select and custom test can be entered in the "Bottom Line Custom Text"

Footers (menu): footers can be customized for Report Preview and the Report Builder

Print - select on or off, when off, no headers will visible except for the report name

The following can be selected to be included in the footer:

Border Line

Page Number and Count

Date Stamp

Top Line Text - select and custom text can be entered in the "Top Line Custom Text"

Bottom Line Text - select and custom test can be entered in the "Bottom Line Custom Text"

Images (menu):

Report Header - <click>, if image is to be included

Builder Header - <click>, if image is to be included

System Images - select, image to be included (only images imported in Image Manager and saved as system images are available)

Left-Right - select, where images will be placed

Item Parameter

The Item Parameter reports are available in numerous formats. The following are report types, sorting and format selections:

Report Types:

- **Summary** - if an item has multiples tracked, all items will be summarized into one line item, with Straight Line Allocation and 100% Funded calculations
- **Detail** - if an item has multiples tracked, all items will be extended for detail
- **Full Detail** - all of item's parameters are displayed (type, tracking, description, category, measurement basis, estimated useful life, basis cost, freight & labor and salvage value)
- **Unit Detail** - for unit items tracked logistically (not cycle) that are displayed in detail by phases, buildings or floors and by model type
- **Individual Unit** - inventory of unit of items tracked logistically (not cycle) in an individual unit
- **Worksheet** - current status of items printed on a form that is utilized when physically collecting and updating data to be entered into the system

Depending on the report selected, the following may be available: Report Notes, Images, Landscape, Straight Line (calculation) and Extended Values

List Order:

- **Description** - sort alphabetically
- **Item Code** - sort by item number
- **Category** - sort by category

Year Filter:

- **All** - based on primary dates, when items came on line or when they were last replaced or received maintenance
- **20XX** - select desired year

Item Filter:

- **Common Area** - common area items only, or <click> check box in title bar for all items
- **Unit** - unit items only, or <click> check box in title bar for all items
- **Select by Category** - access category list and select desired categories, or <click> check box in title bar for all items

Saving Item Parameter reports to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
-

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Expenditure

The Expenditure Report presents which items are scheduled for replacement or maintenance for selected years or for a selected number of years over the next 40 years and what the projected expenditure amount is less any salvage value of these items. The Expenditure reports can be sorted and formatted in the following presentations:

Report Type/Order:

- **Matrix-Description** - ordered by reserve items descriptions, available in landscape
- **Matrix-Item Number** - ordered by reserve item numbers
- **Matrix-Sub Category** - reserve items ordered by categories with sub-totals, available in landscape
- **Matrix-Category** - ordered by category, available in landscape
- **Matrix 20 Year (11/14)** - landscape presentation on legal size paper
- **List-Date Sub Monthly** - sort by the replacement date with monthly sub totals
- **List-Date Sub Annually** - sort by the replacement date with annual sub totals
- **List-Item Number** - sort by item code numbers
- **List-Description** - sort alphabetically by item description
- **List- Sub Category** - sort by categories

Year Filter:

- **All** - all years
- **20XX** - select desired year

Saving Expenditure reports to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
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Analysis Cash Flow

The analysis cash flow reports in essence are to provide the user with a 10, 20 or 30 year presentation (determined in Definition) on a monthly basis, that based upon the contribution amount calculated, there will be sufficient reserve funds for scheduled expenditures over the period. The reserve cash flow reports are available in the following two formats:

- **Monthly** - The monthly report (horizontal presentation) is presented by month and by year, starting with the beginning balance, the monthly contribution, interest earned, net expenditures (projected expenditure less any salvage value) and the ending fund balance. The report finishes with the year's totals and can be printed for 10, 20 or 30 years, in two year intervals per page.
- **Annual** - The annual report (horizontal presentation) presents the monthly report totals for 10, 20 or 30 years.
- **Annual Matrix** - The annual matrix (vertical presentation) presents added detail for 10, 20 or 30 years.

Saving Cash Flow reports to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
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Analysis Summary

The Analysis Summary report is the summary of the results of the analysis. This summary includes the following:

- **Global Factors** - presented are the analysis rate of inflation, net rate of investment and the Weighted Average Life (WAL) - Mature, Remaining or Prior of the portfolio.
- **Replacement Costs** - presented are the current replacement costs and the future replacement costs of the portfolio. (note: the costs correlate with the item parameter report totals plus any contingencies included)
- **Fund Balances** - presented are the current fund balance and future fund balance based on the weighted average life.
- **Funds Required** - presented are the future funds required and the projected contribution amount.

If initial phases, buildings or floors, units or common area items come on line during the analysis period (the first twelve months after the analysis date), additional analysis summary reports are generated reflecting a new contribution amount. This assumes being in the "Analysis" mode which was setup in Project Criteria. If, in the "Forecast" mode, any additional phases, buildings or floors, units or common area items come on line after the analysis period they will be reflected in the system by recalculating the contribution amount for each time period necessary. The number of reports is shown in the upper right hand corner of the reports. The period of the individual reports is in the upper left hand corner. Press <enter> to page through these reports. If in the monthly calculation method, reports will be produced for every month in the analysis (being 120, 240 or 360 months, which is setup in Project Criteria).

Saving Analysis Summary report to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
- 2) Top/left is the Report menu, <click> Save to Report Builder
- 3) Save to Report Builder screen will appear, <click> Save [button]
- 4) The report will now be available in Report Builder for final report production

Cash Management

Cash Management reports consist of the following:.

- **Account Data** - Reflects all the pertinent data of each account or instrument: System Number, Account Number, Description, Initial Date, Term, Mature Date, Rate of Investment, Compounded, Paid, Tax Free, Principal and Interest.
- **Funds Availability / Requirements** - Projects 30 years on a monthly basis the following items: Projected Monthly Contribution, Projected Monthly Fund Balance, Funds Committed, Accrued Interest Not Paid on the Committed Funds, Available Funds (Projected Monthly Fund Balance less Funds Committed plus Accrued Interest Not Paid on the Committed Funds), Projected Monthly Expenditures and Over/Under (variance) between Available Funds and Projected Monthly Expenditures.
- Interested Earned/Accrued
- Average Interest Rate

Saving Cash Management reports to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
- 2) Top/left is the Report menu, <click> Save to Report Builder
- 3) Save to Report Builder screen will appear, <click> Save [button]
- 4) The report will now be available in Report Builder for final report production

Phases, Units and Models

The following reports are available under Phases, Units and Models:

- **Phases, Units and Models** - The Phases (Buildings or Floor), Units and Models report presents the phase, building or floor number, primary date, unit number range, total units, number of units by model for each phase, building or floor.
- **Model Name**
- **Unit Address** - Report of addresses related to unit number assigned by the system.

Saving Phases, Units and Models report to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
-

Unit Address

The Unit Address report presents in columns the following:

- Phases, Floors or Buildings
- Units
- Models
- Address-

Saving Unit Address report to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
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Model Allocation

The Model Allocation report presents the pro rata calculation of the contribution based on the size of each model. A Model Allocation report will be produced for each Analysis Summary report produced reflecting the allocation of the new contribution amount or for each year. Additional Model Allocation reports can be produced for the future periods as desired.

Saving Model Allocation report to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
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Last Updated: 2011-08-15

Definition

The Definition report is a recap of:

- **Property Information**
- **Item Parameters**
- **Financial Parameters**
- **Property Criteria**

Saving Definition report to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
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Supplemental Reports

There are currently five Supplemental reports that are now available. These are customized reports based on requests from system users. These reports can either be calculated in the future cost or current cost method, which is selected in the Definition, Project Criteria screen. The reports are as follows:

- **Percent Funded-Annual** - this report is basically an annual cash flow report with columns representing the percent funded amount and percentage.
- **Percent Funded-Portfolio** - takes into account all the reserve items as a group.

Allocation Reports:

- **Percent Funded-Allocation** - takes into account the reserve items individually or by reserve categories that were setup in the system.
 - **Accountants** - meets AICPA CIRA (Common Interest Realty Association) Audit and Accounting Guidelines for compilations, reviews and audits.
 - **CA Reserve Disclosures** - meets the requirements for the State of Florida reserve reporting.
 - **FL Reserve Disclosures** - meets the requirements for the State of Florida reserve reporting.
-

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Percent Funded-Annual

Percent Funded report calculates on a straight line basis how much funds are needed related to a reserve item if the reserve item were 100% funded.

Example: If a reserve item has a 10 estimated useful life and a cost of \$10,000, at the end for four years it would be 100% funded if had \$4,000 in funds ($\$10,000 / 10 \text{ years} = \$1,000 \times 4 \text{ years} = \$4,000$). If there were only \$2,500 available, the reserve item would be 63% funded ($\$2,500 / \$4,000 = 63\%$).

The system allows for Percent Funded to be calculated three different ways:

- **Current Cost-Current Cost Method** - as of the Analysis Date, the reserve items current cost is used in performing the initial calculation and once the reserve is expended, the calculation will start over using the same Current Cost (in Global Parameters-Property Criteria select: Calculation Method - Current Cost, Percent Funded/Allocation Reports - Current Cost, the system ignores any Inflation Rate entered Global Parameters-Financial Parameters)
- **Current Cost-Future Cost Method** - as of the Analysis Date, the reserve items current cost is used in performing the initial calculation and once the reserve is expended, the calculation will start over using the Future Cost based on the inflation rate (in Global Parameters-Property Criteria select: Calculation Method - Future Cost, Percent Funded/Allocation Reports - Current Cost)
- **Future Cost-Future Cost Method** - as of the Analysis Date, the reserve items future cost based on the inflation rate used in performing the initial calculation and once the reserve is expended, the calculation will start over using the Future Cost based on the inflation rate (in Global Parameters-Property Criteria select: Calculation Method - Future Cost, Percent Funded/Allocation Reports - Future Cost)

The Percent Funded-Annual (vertical/matrix) report is basically an annual cash flow report with three added columns. <click> Matrix box for the matrix report. The columns of the report include the following:

- **Beginning Date** - reflects the year for up to 30 years.
- **100% funded** - the current or future cost of reserve items divided by the life of the reserve item times period of time already in service (see above for expanded explanation).
- **Beginning Balance** - projected cash/fund balances at the beginning of each year for up to 30 years.
- **Percent Funded** - calculated by dividing the Beginning Balance of each year by the 100% Funded amount.
- **Contribution** - the projected contributions per year.
- **Interest** - the projected interest earned on projected accumulated funds per year.
- **Expenditure** - the projected reserve expenditures per year.

The Percent Funded/Cash flow-Annual (horizontal) report has the following row descriptions:

- **100% Funded** - all reserve items as of the beginning of the year

- **Percent Funded** - beginning balance divided by 100%
- **Begin Balance** - cash balance at the beginning of the year
- **Contribution** - annual contribution
- **Average per Unit** - average monthly unit contribution
- **Percent Change** - change in the contribution amount from year to year
- **Special Assessment**
- **Interest** - interest on deposits
- **Less Tax on Interest** - tax to paid on interest earned
- **Net Interest** - interest less taxes
- **Less Expenditures** - scheduled reserve item expenditures
- **Less Deferred Expenditures** - one time expenditures
- **Ending Balance**

Saving Percent Funded-Annual report to the Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
- 2) Top/left is the Report menu, <click> Save to Report Builder
- 3) Save to Report Builder screen will appear, <click> Save [button]
- 4) The report will now be available in Report Builder for final report production

Percent Funded-Portfolio

The Percent Funded-Portfolio report takes into account all the reserve items as a group. The system determines for each item how many months the item has been in existence and when it is scheduled to receive maintenance or to be replaced. It then determines how much would exist for each reserve item if it were 100% funded as of the analysis date (reflected as the "prior" amount).

The 100% funded amounts of all the reserve items are added together, producing what amount would exist for all the reserve items, or the portfolio if 100% funded. The "Funds 100% Funded" balance is then compared to the "Current Funds Balance" that exist as of the analysis date and this percentage is the amount actually funded. The "Funds Less (More) of 100% Funded" amount and percentage is then calculated.

Saving Percent Funded-Portfolio report to Report Builder :

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
-

Allocation Reports

Allocation Reports allows the entering of item or category amounts or the system will automatically allocate the amounts. The following allocation formats are available:

- **Calculate Items** - upon selection, the system calculates
- **Calculate Categories** - upon selection, the system calculates
- **Input Items** - the user enters the desired amounts for each reserve item
- **Input Categories** - the user enters the desired amounts for each reserve category

Item reports can be grouped by category by <clicking> the Group by Category box. The following are available Allocation Reports:

- **Percent Funded-Allocation** - takes into account the reserve items individually or by reserve categories that were setup in the system.
 - **Accountants** - meets AICPA CIRA (Common Interest Realty Association) Audit and Accounting Guidelines for compilations, reviews and audits.
 - **CA Reserve Disclosures** - meets the requirements for the State of California reserve reporting.
 - **FL Reserve Disclosures** - meets the requirements for the State of Florida reserve reporting
 - **Component Funding Analysis** - an additional State of Florida report
-

Percent Funded-Allocation

The Percent Funded- Allocation report takes into account the reserve items individually or by reserve categories that were setup in the system. The system determines for each reserve item or category how many months the item has been in existence and when it is scheduled for maintenance or replacement. It then determines dollar amounts for each item if it were "100% Funded" on a straight line basis as of the analysis date. The "Beginning Balance" as of the analysis date is allocated between each reserve item or category. The Beginning Balance amount allocated to each reserve item or category is compared with the 100% Funded amount, producing the "Percent Funded". The columns of the report include the following:

- **Description** - either Components, Components by Category or Category
- **100% Funded** - calculated on a straight line basis
- **Percent Funded** - of the beginning funds allocated what percentage is funded (beginning balance / 100% funded amount)
- **Beginning Balance** - balance allocated by the user or the system
- **Contribution** - amount allocated by the system
- **Interest** - amount allocated by the system
- **Expended** - amount allocated by the system
- **Ending Balance** - amount allocated by the system

The system proceeds to allocate the projected contribution amount and interest earned amount from the Analysis Cash Flow report. The expenditures ("Expended") are actual scheduled amounts per reserve item or categories. The "Ending Balance" is calculated by adding the Beginning Balance and the Contribution and Interest earned, and subtracting the expenditures ("Expended"). The user has the option of running this report for as many years as desired in a combined mode. For example, if running this report for the next five years, the activity would reflect the Beginning Balance as of the analysis date and Ending Balance as projected in the cash flow in five years. The system performs a random calculation in allocating funds to the reserve items or categories. There are literally millions of different allocations which can be made in this report. No one scenario is considered to be better than another.

The system can either allocate the Beginning Balance as of the current year's analysis date between the reserve items or the reserve categories, or the Beginning Balance can be entered and allocated between the reserve items or reserve categories in the Cash Allocation screen.

In the Input Items and Input Categories screen, the total Beginning Fund Balance to be allocated is presented at the bottom of the screen. As balances are entered for each item a running total is presented at the bottom of the screen. Once the balances agree <click> the Save button to save the information. This will now be reflected in the Percent Funded-Allocation report.

Note: If reasonable beginning fund balances are not entered, based on the timing and materiality of the reserve item to be replaced or receive maintenance, negative numbers may appear in the Contribution and Interest columns of the Item Percentage Allocation report. Adjust the appropriately until there are no negatives. The report can be saved to an Excel spreadsheet and these numbers can be changed as desired.

Saving Percent Funded-Allocation report to Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
-

Last Updated: 2011-08-15

Accountants

The Accountant's report (titled "Supplementary Information on Future Major Repairs and Replacements") meets AICPA CIRA (Common Interest Realty Association) Audit and Accounting Guidelines for compilations, reviews and audits. The columns of the reports include the following:

- **Description** - either Components, Components by Category or Category
- **Estimated Remaining Useful Lives** - a range shown as: Years:Month to Years:Month of when the reserve items or categories will receive maintenance or be replaced
- **Funding Requirement** - represents an allocation of the projected contribution for the analysis year by items or categories
- **Components of Fund Balance at MM/DD/YYYY** - an allocation of the total reserve funds as of the year end of the analysis year

The system can either allocate the "Funding Requirement" and the "Components of Funds Balance at MM/DD/YYYY" for the analysis year between the items or categories, or they can be entered and allocated between the items or categories in the allocation screen.

Note: Term is not available for the Accountant's report

Saving Accountants report to Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
- 2) Top/left is the Report menu, <click> Save to Report Builder
- 3) Save to Report Builder screen will appear, <click> Save [button]
- 4) The report will now be available in Report Builder for final report production

FL Reserve Disclosures

The Reserve Disclosures report meets the requirements for the State of Florida reserve reporting. The columns of the reports include the following:

- **Description** - either Components, Components by Category or Category
- **Current Cost** - the current maintenance or replacement for the reserve item as of the analysis date
- **Useful Life** - the expected life the reserve item will be in service until it receives maintenance or is replaced (in YY:MM)
- **Remaining Life** - period of time until the reserve item is scheduled to receive maintenance or is replaced (in YY:MM)
- **Reserve Balance** - the allocation of the fund balance as of the analysis date
- **Reserve Allocation** - the allocation the contribution and interest earned per the cash flow for the analysis year

The system can either allocate the Reserve Balance and Reserve Allocation as of the analysis year between the items or categories, or they can be entered and allocated between the items or categories in the allocation screen.

Note: Term is not available for the Accountant's report

Saving FL Reserve Disclosures report to Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
 - 2) Top/left is the Report menu, <click> Save to Report Builder
 - 3) Save to Report Builder screen will appear, <click> Save [button]
 - 4) The report will now be available in Report Builder for final report production
-

CA Reserve Disclosures

The California Reserve Disclosures report meets the requirements for the State of California reserve reporting detail. The columns of the reports include the following:

- **Description** - either Components, Components by Category or Category
- **100% Funded** - all reserve items as of the beginning of the year
- **Percent Funded** - beginning balance divided by 100%
- **Reserve Balance** - cash balance at the beginning of the year
- **Current Estimated Replacement Cost** - the current maintenance or replacement for the reserve item as of the analysis date
- **Estimated Remaining Life** - period of time until the reserve item is scheduled to receive maintenance or is replaced (in YY:MM)
- **Estimated Useful Life** - the expected life the reserve item will be in service until it receives maintenance or is replaced (in YY:MM)
- **20XX Contribution** - the allocation of the fund balance as of the analysis date

The system can either allocate the Reserve Balance and Reserve Allocation as of the analysis year between the items or categories, or they can be entered and allocated between the items or categories in the allocation screen.

Note: Term is not available for the Accountant's report

Saving CA Reserve Disclosures report to Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
- 2) Top/left is the Report menu, <click> Save to Report Builder
- 3) Save to Report Builder screen will appear, <click> Save [button]
- 4) The report will now be available in Report Builder for final report production

Component Funding Analysis Report

The Component Funding Analysis report includes the following columns:

- **Description** - either Components, Components by Category or Category
- **Current or Future Cost** - current cost as of the analysis date or the future replacement cost (selected in Global Parameters>Property Criteria>Percent Funded/Allocation Reports, see [Property Criteria](#))
- **Useful Life YY:MM** - the estimated useful of an individual reserve or the date range if by category
- **Remaining Life YY:MM** - the period of time until the reserve item is to be replaced or maintained
- **Reserve Balance** - the assigned reserve fund balance by individual reserve item or for a category
- **Unfunded Balance** - the current or future cost less the reserve fund balance
- **Reserve Contribution 20XX** - calculated based on the number months in the remaining life which divided into the unfunded balance and then multiplied 12 months to annualize it, if a reserve item is replaced during the year it will be pro-rated

The system can either allocate the Reserve Balance as of the analysis year between the items or categories, or the they can be entered and allocated between the items or categories in the allocation screen.

Saving Component Funding Analysis report to Report Builder:

- 1) Select a report with desired format and <click> Report Preview in the menu and Report Preview screen will appear
- 2) Top/left is the Report menu, <click> Save to Report Builder
- 3) Save to Report Builder screen will appear, <click> Save [button]
- 4) The report will now be available in Report Builder for final report production

Report Writer

Report Writer module provides for combining summary narrative, data and image merges into one document which then can be utilized in the Report Builder. The data fields (i.e. amounts and percentages) are automatically updated when any data or the analysis date is changed. Pre-formatted System Templates and New (blank) report templates are provided that can be edited and saved. Upon entering Report Writer, the following is how report templates accessed, managed and saved:

- **System Templates** - available pre-formatted and blank report templates
- **System Reports** - system/report templates that have been produced, and saved to the server and are now available to all properties
- **Property Reports** - system/report templates that have been produced, and saved to the server and are only available to that property

The following pre-formatted System Templates are available:

- **Annual Reporting Summary**
- **Reserve Study Summary**
- **California Disclosure Summary**
- **Cover Letter**
- **Cover Page**
- **Table of Contents**

Select the desired pre-formatted report template or the blank template and <click> the Edit [button] on the bottom of the screen. This will access the [Report Writer-Editor](#) screen.

Report Writer-Editor

Report Writer-Editor module allows for editing of pre-formatted report templates, previously edited report templates or creating a report template from a blank template.

Editing and Merging Data and Images in Report:

1. Upon entering the Report Writer initially, select either a pre-formatted System Template or a New (blank) template
2. Select Edit in the Templates menu and Report Writer-Editor screen will appear.
3. In the Report Writer-Editor screen, the document text can be edited and formatted by utilizing the edit menu bar at the top of the screen
4. To add merge data fields, <click> Merge Field List in the Editor menu and the Merge Field List box will appear
5. Set the cursor in the document where the merge field will be placed (for either Data Fields or Images) and double <click> the Description in the Merge Field List box to be entered and the Merge Field will appear in the document
6. In the top edit menu bar, <click> View-Merge selection and the Merge Fields will convert to the data and images that have been entered (see below on how to size images)
7. Continue until the document is finalized and the <click> Save in the Template menu

Note: all Templates and Reports in the Report Writer are dynamic, meaning they are automatically updated in the Report Builder

Template (menu):

Save - <click>, Save Report screen will appear, edit name if desired and select to save System Report or Property Report

Print - <click>, to open Print screen

Print Preview - <click>, to see what printed report will look like

Delete - <click>, to delete report

Close - <click> to close Report Writer-Editor

Export to (menu): all exported reports are saved to the local C drive and not to the central server, note the path where the document is saved for future retrieval

Acrobat (PDF) Document - <click>, and Save As screen will appear

Word (RTF) Document - <click>, and Save As screen will appear, document can be edited in Word and then saved as a Word doc

Editor (menu):

Merge Field List - <click>, box will appear, see above how to utilize the Merge Field List box

Header - <click>, to access the header field

Footer - <click>, to access the footer field

Page Number - *<click>*, place cursor where page number is to appear and double *<click>*

Page No./Count - *<click>*, place cursor where page number of how many is to appear and double *<click>*

Table of Contents (menu):

Insert New TOC - *<click>*, to enter a TOC tag which will build a table of contents when utilized in the Report Builder

TOC-Header Fonts - *<click>*, TOC Level 1 Font will be utilize in the table of contents and will be left justified,
TOC Level 2 Font will be utilized in the table of contents and will be indented,
Heading 1 Font will be utilized in all reports using the Set Title-Header 1
Heading 2 Font will be utilized in all reports using the Set Title-Header 2

Refresh - *<click>*, to update all reports

Table (menu):

Insert Table - *<click>*, enter the number of rows and columns to be in the table and *<click>* OK

Table Border - *<click>*, with cursor paint the cells to be formatted, select the range of cells to receive borders, enter Border Width which will determine the width of the border lines or select draw a border around the select cells

Cell Background - *<click>*, with cursor paint the cell to be formatted, select Set Color and select the desired color and *<click>* OK

Sizing Images :

When an image is merged into a template the following sample formatted link will appear:

```
<%IMG= Tennis Court,250 %>
```

In this example, Tennis Court is the name that was given to the image. The default pixel size of the image is 250. If desiring a smaller image, edit the number 250 to a smaller number (initially try 150). If desiring a larger image, edit the number 250 to a larger number (initially try 350).

Merge Field List

Merge Fields available:

% Funded-Beg of Yr 1
% Funded-Beg of Yr 2
% Funded-Beg of Yr 3
% Funded-Beg of Yr 4
% Funded-Beg of Yr 5
% Funded-Beg of Yr 6

100% Funded-Beg of Yr 1
100% Funded-Beg of Yr 2
100% Funded-Beg of Yr 3
100% Funded-Beg of Yr 4
100% Funded-Beg of Yr 5
100% Funded-Beg of Yr 6

Analysis Begin Date
Analysis End Date
Annual Assess Yr 1-Monthly
Annual Assess Yr 1-Annual
Avg Int Rate a/f Tax 1st Year
Avg Int Rate b/f Tax 1st Year
Average Owner Assess/Mo
Average Owner Assess/Yr

Beg Balance-Beg of Yr 1
Beg Balance-Beg of Yr 2
Beg Balance-Beg of Yr 3
Beg Balance-Beg of Yr 4
Beg Balance-Beg of Yr 5
Beg Balance-Beg of Yr 6

City
Contingency Percent
Contingency Time
Contingency Amount-Monthly
Contingency Amount-Annual
Contribution Increase 2nd Year
Current Replacement Cost
Current Unit Deficiency

Ending Balance-Yr 1

Future Replacement Cost

Inflation on Reserve Items
Interest Earned 1st Year

Number of Models

Number of Phases
Number of Units

Owner Assess-Model A/Mo
Owner Assess-Model A/Yr
Owner Assess-Model B/Mo
Owner Assess-Model B/Yr
Owner Assess-Model C/Mo
Owner Assess-Model C/Yr
Owner Assess-Model D/Mo
Owner Assess-Model D/Yr
Owner Assess-Model E/Mo
Owner Assess-Model E/Yr
Owner Assess-Model F/Mo
Owner Assess-Model F/Yr
Owner Assess-Model G/Mo
Owner Assess-Model G/Yr
Owner Assess-Model H/Mo
Owner Assess-Model H/Yr
Owner Assess-Model I/Mo
Owner Assess-Model I/Yr

Property Name

RS-Date Prepared
RS-Preparer's Name
Rate of Inflation
Rate of Investment
State
Street Address

Tax Rate
Taxes on Interest Earned -Yr 1
Today's Date

Zip

Report Builder

Report Builder supports combining multiple Report Writer Templates/Reports and PRA reports and charts into one document with auto Table of Contents and page numbering. The desired reports can be built in any order and Previewed where complete report can be edited and exported

Report Writer templates are selected to appear in the Template box. PRA reports and charts, which were sent to the Report Builder from Reports or Chart Manager, are listed in the Report File Name box. PRA reports and charts are not dynamic (if data is changed in the system, then PRA reports and charts will need to be regenerated). PRA Reports and Charts dated and time stamped.

By double <clicking> any Template/Report in the Template/Report box and any PRA Report/Chart in the PRA Report/Chart box, it will be added to the Report List box.

Report List box functions :

- Add - highlight any template/report in the boxes and <click> to Add templates/reports to the Report List box
- Remove - highlight any template/report in the Report List box and <click> to remove templates/reports from the Report List box
- Reset - <click> to reset (clear) Report List box
- Up - <click> highlight any template/report in the Report List box to move up in the order
- Down - <click> highlight any template/report in the Report List box to move down in the order

Menu:

- Report Preview - <click>, to generate report from the Report List and open Report Builder-Editor
- Refresh - <click>, to refresh Template/Reports and PRA Reports/Charts
- Delete File - highlight reports or charts in the PRA Reports/Charts box and <click> to delete
- Close - <click>, to close Report Builder

Once the desired reports are in order <click> Report Preview in the Menu and Report Builder-Editor will open

Report Builder-Editor

The Report Builder-Editor is the final process in building a report. Once the report has been generated, the entire report can be edited.

Example of what can be edited :

Text-Fonts-Size

Resize Images

Delete blank pages if any generated (refresh table of contents if it didn't refresh on it's own)

Remove pages (refresh table of contents if it didn't refresh on it's own)

Add Pages and paste into those pages (refresh table of contents if it didn't refresh on it's own)

Once editing is finished, the report can be printed, Exported to Acrobat (PDF) document or Word (RTF) document.

Note: the system will not save the report with edits. If this report is to be reviewed and incur more edits, then save it as a Word document. Which can be closed and opened and re-edited. Upon finalized, it can saved as a PDF document.

Menu :

Print - <click>, to open Print screen

Print Preview - <click>, to see what printed report will look like

Close - <click> to close Report Writer-Editor

Export to (menu): all exported reports are saved to the local C drive and not to the central server, note the path where the document is saved for future retrieval

Acrobat (PDF) Document - <click>, and Save As screen will appear

Word (RTF) Document - <click>, and Save As screen will appear, document can be edited in Word and then saved as a Word doc

Editor (menu):

Position Header - <click>, to access the header field

Position Footer - <click>, to access the footer field

Table of Contents (menu):

Insert New TOC - <click>, to enter a TOC tag which will build a table of contents when utilized in the Report Builder

TOC-Header Fonts - <click>, TOC Level 1 Font will be utilize in the table of contents and will be left justified,
TOC Level 2 Font will be utilized in the table of contents and will be indented,
Heading 1 Font will be utilized in all reports using the Set Title-Header 1
Heading 2 Font will be utilized in all reports using the Set Title-Header 2

Refresh - <click>, to update all reports

Table (menu):

Insert Table - <click>, enter the number of rows and columns to be in the table and <click> OK

Table Border - *<click>*, with cursor paint the cells to be formatted, select the range of cells to receive borders, enter Border Width which will determine the width of the border lines or select draw a border around the select cells

Cell Background - *<click>*, with cursor paint the cell to be formatted, select Set Color and select the desired color and *<click>* OK

Last Updated: 2011-08-15

Image Manager

Image Manager manages images (or pictures) that can be merged into Reserve Item notes and into the Report Writer templates. Only images that are imported through the Image Manager can be used in the system. Jpeg image formats are required.

Image Menu :

List - <click>, highlight image to be edited <click> Edit in the menu

Edit - <click>, the image can be renamed, made into System image by <clicking> making the image available to all properties or not <clicked> making it only available to the property

Import New - see below

Importing a New Image :

Open the Image Manager

On the Image Menu <click> Import New

<click> the Browse button (bottom-right corner) and the Explorer will open

Navigate to the desired image and highlight

<click> OK

Name the image in Name box

If the image is to saved for all properties, <click> the System box

<click> Save in Update menu when finished

Once the image is imported it can be rotated and cropped three ways :

1.33 to 1.00 ratio

Square

Freehand

To crop the image, select the desired format and <click> on the image and drag the cursor to highlight the desired area of the image. When finished, at the bottom of the screen in the Name box enter the name in which the image will be saved. <click> Save to retain the image in the database or Cancel to discard the image.

Note: tall thin images are not recommended

Chart Manager

Chart Manager gives options for three types of charts:

Cash Flow: the following are the chart types and the features available for each chart

Features:	Multi-Bar	Line Chart	Area	Custom
Bar Type	X	X		X
Select Years (10, 20, 30 or 40)	X	X	X	X
Landscape	X	X	X	X
Site Legend (location)	X	X	X	X
Pitch (depth of chart)	X	X	X	X
Axis Pitch (on/off)	X	X	X	X
Axis Pitch (how much)	X	X	X	X
Separation (between bars)	X			X
Color (multiple palets)	X	X	X	X
Gradient	X	X	X	X
Background (color/shade)	X	X	X	X
Transparency	X	X	X	X

Item Parameter: the following are the chart types and the features available for each chart

Features:	Pie	Doughnut	Bar
Bar Type			X
Select Years (10, 20, 30 or 40)			
Landscape	X	X	X
Site Legend (location)	X	X	X
Pitch (depth of chart)	X	X	X
Axis Pitch (on/off)	X	X	X
Axis Pitch (how much)			X
Separation (between bars)			X
Color (multiple palets)	X	X	X

Gradient	X	X	X
Background (color/shade)	X	X	X
Transparency	X	X	X

Percent Funded-Annual: the following are the chart types and the features available for each chart

Features:	Multi-Bar	Line Chart	Area	Custo m
Bar Type	X	X		X
Select Years (10, 20, 30 or 40)	X	X	X	X
Landscape	X	X	X	X
Site Legend (location)	X	X	X	X
Pitch (depth of chart)	X	X	X	X
Axis Pitch (on/off)	X	X	X	X
Axis Pitch (how much)	X	X	X	X
Separation (between bars)	X			X
Color (multiple palets)	X	X	X	X
Gradient	X	X	X	X
Background (color/shade)	X	X	X	X
Transparency	X	X	X	X

Chart Preview (menu):

Save to Report Builder - <click>, Save to Report Builder screen will appear, edit name if desired and <click> Save, this report will be available in the Report Builder for final report production

Print - <click>, to open Print screen

Print Preview - <click>, to see what printed report will look like

Close - <click> to close Report Preview

Export to (menu): all exported reports are save to the local C drive and not to the central server, note the path where the document is saved for future retrieval

Acrobat (PDF) Document - <click>, and Save As screen will appear

Word (RTF) Document - <click>, and Save As screen will appear, document can be edited in Word and then saved as a Word doc

Excel (CSV) Document - <click>, and Save As screen will appear, document can be edited in Excel and then saved as a Excel file

Editor (menu):

Enable Edit - <click>, a full text editor will be enable, any edits made can exported to Acrobat, Word or Excel,

edits will not be included when saving to the Report Builder

Position Header - <click>, to edit header

Position Footer - <click>, to edit footer

Table (menu):

Insert Table - <click>, enter the number of rows and columns to be in the table and <click> OK

Table Border - <click>, with cursor paint the cells to be formatted, select the range of cells to receive borders, enter Border Width which will determine the width of the border lines or select draw a border around the select cells

Cell Background - <click>, with cursor paint the cell to be formatted, select Set Color and select the desired color and <click> OK

Last Updated: 2011-08-15

Warnings

Warnings tracks for missing data that needs to be entered or for data that needs to be updated based on the analysis date has been forwarded.

There are separate warnings for Reserve Items and Cash Management. For Reserve Items <click> the edit icon in the left column to access the Edit/Delete Reserve Item screen to update the data. The same for Cash Management items.

Last Updated: 2011-08-15

Master Item List

The Master Item List of reserve items is produced in the Master system. The following data is entered:

- Description
- Category
- Measurement Basis (i.e. square feet, linear feet, etc.)
- Basis Cost (the \$ amount of the measurement basis)
- Notes (generic narrative about the reserve item)

The individual properties will have access to the Master List for selecting reserve items for quick entry.

Last Updated: 2011-08-15

New Item-MS

The Master Systems support the production of a Master Item List. Each property will have access to this Master Item List for adding reserve items. To add a new reserve item to the Master Item List select New Item from the menu bar and enter the following information:.

- **Description** - *enter*, name of the item.
- **Category** - *enter*, a category name or number can be entered here and for tracking capabilities in the Item Parameter and Expenditure reports. If categories have been entered, the list can be accessed by <clicking> the down arrow and then select the category for how this item will be tracked and <enter>.
- **Measurement Basis** - *enter*, the basis in which the basis cost is to be measured (square yards, linear feet, each, etc.).
- **Estimated Useful Life** - *enter*, the original expected life of the item in years and months.
- **Basis Cost** - *enter*, the current cost of each measured basis (\$10/sq. ft., \$25/linear yard, \$500 each, etc.)
The cost field has been set for three decimal points to account for half cents, if necessary.

Reserve items to be included in the Master Item List can only be added and edited within the Master system , and not in the Properties.

Edit/Delete Reserve Item

In the View menu select Reserve Items and <click> the Edit icon in the left column and the Edit Reserve Item screen will appear.

Last Updated: 2011-08-15

New Site

Sites are for grouping properties in different categories when utilizing Quantity Purchasing reports and for giving access to specified users to only have access to those properties. In the Main Menu *<click>* New Site and the screen will appear with the following fields:

Site Name

Site Code - site code can be up to five characters

Region

State

Site System Key - key given to users for access to properties with this site code

Generate Key - based on Site Code entered (above), *<click>* the Generate Key button, and the Client System Key number will appear in the box

View - *<click>* View to obtain the License/Key for users

Site Enabled - *<click>* box to enable access for users, leave blank denies access

Last Updated: 2011-08-15

Edit Site

In the View menu select Site and <click> the Edit icon in the left column and the Edit Site screen will appear.

Last Updated: 2011-08-15

New Property

In the Main Menu *<click>* New Property and the screen will appear with the following fields:

Property Name

Property Index - generic code determined by the user and is available in the Merge List

Property Type - user description, i.e. condo, townhouse, timeshare, etc.

Property Number - determined by user with a range of 1000 through 9999 that will be used in generating a Client System Key

Site Code - for tracking and giving access to specified users

State/Province

Region

Country

Postal Code

Analysis Date

Client System Key - for giving system property access to third parties on a read only basis

Generate Key - based on Property Number entered (above), *<click>* the Generate Key button, and the Client System Key number will appear in the box

View - *<click>* View to obtain the License/Key for third parties

Client System Enabled - *<click>* box to enable access for third parties, leave blank denies access

Edit Property

In the View menu select Properties and <click> the Edit icon in the left column and the Edit Property screen will appear.

Last Updated: 2011-08-15

Quantity Purchasing Report

The Quantity Purchasing report relates to Master Item List items which were utilized by the individual properties. Based on selecting a Master Item, a Quantity Purchasing report will be generated presenting each property with that item that is scheduled in the year selected for replacement. Quantity Purchasing console consists of the following:

Report Type:

Monthly - presents scheduled expenditures on a monthly basis

Quarterly - presents scheduled expenditures on a quarterly basis

Year Filter - select year to be presented

Item (box) - select item for the report by <clicking> on the item which will highlighted above the Item box

List By:

Property - select properties for the report by <clicking> the boxes

Site - select site for the report by <clicking> the boxes

Region - select region for the report by <clicking> the boxes

State - select state for the report by <clicking> the boxes

<click> Preview Report in the menu to view the report

Last Updated: 2011-08-15

Warnings-MS

Warnings tracks for missing data that needs to be entered.

Last Updated: 2011-08-15

Reserve Profile Analysis

Each reserve, which includes the funds and the items, has a certain profile or character. This profile is based upon the reserve history, how the current funds were derived (contributions made, interest earned, expenditures, etc.), the individual items accuracy (tracking, cost, months until replacement) and whether inflation and investment have been considered in determining contribution amounts and future replacement costs. All of these items affect the profile of the reserves, and the affect can be positive or negative depending on how the items have been treated in the past. The final concerns in determining the reserve profile are; if the reserve funds as of the analysis date are too high or too low, and the materiality and timing of the projected expenditures. The ideal situation is not to contribute more funds than necessary, but have a planned schedule of contribution which will provide for sufficient funds when necessary over the life of the project. The tools exist in the PRA System to optimize the contribution schedule over the life of the project.

Optimizing the Analysis Results:

Once it has been determined what factors will be used for inflation, investment, taxes, cost of living increases and contingencies, the WAL of the portfolio would be noted and a 10, 20 or 30 year cash flow would be run (the length of the projection period is determined by the user). One of two scenarios will become apparent upon reviewing the cash flow:

- **Positive Reserve Funds** (positive fund balances are projected for the whole analysis period) - Which could mean that the beginning reserve fund balance might be too high, and / or materiality of expenditures in the immediate years are projected too low. This assumes that year end reserve funds for the analysis period are material (probably more than 10,000 at end of any year).
- **Negative Reserve Funds** (negative fund balances are projected during the analysis period) - Which could mean that the beginning reserve fund balance might be too low, and or materiality of expenditures in the immediate years are projected too high.

In optimizing the analysis results different approaches must be taken when analyzing the two above scenarios. The following suggestions might be utilized in each case:

- **Positive Reserve Funds** - In a positive reserve fund scenario, more contributions than necessary are being projected. The object based upon the financial factors, as stated above, which have already been determined, is to decrease the contribution evenly over the analysis period, while maintaining a positive fund balance. This is possible by utilizing the "adjustment factor" in the Global Parameter screen. By entering a negative percentage, all the projected contribution amounts will be decreased by this percentage. After entering this negative percentage, the system will recalculate. Review the cash flow projection to see what affect the adjustment has on the ending balances. If any ending balances have become negative, then the negative percentage used was to high. Keep adjusting the negative percentage until no ending balances are negative. The user at this point can also determine if any other financial factors should be adjusted to give a more optimum solution.
- **Negative Reserve Funds** - In a negative reserve fund scenario, insufficient contributions exist. The object based upon the financial factors, is to increase the contribution evenly over the analysis period to achieve a positive fund balance. If beginning funds are significantly low, and or material expenditures are projected in the immediate years, it might be necessary to consider an alternative solution utilizing a special assessment. The adjustment factor would be utilized as above except using a positive percentage. Using either or both, the special assessment and the adjustment factor, an optimum solution should be reached which will produce positive reserve fund balances over the analysis period.

Regardless of what scenario the reserves are in, different results will be obtained for review before a final decision would be made. If the analysis history was always done in an optimum manner, then the adjustment factor would probably be zero or immaterial. There is an optimum fund balance which is neither too high or too low. Upon implementing the PRA System, the funds will adjust to the optimum balance within a couple of years, if not already there. Based upon the system having an accurate item tracking system which projects expenditures for up to 30 years, the analysis proves itself through a 30 year cash flow projection.

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Weighted Average Life Method

The basic theory of the PRA System is based upon the weighted average life of the portfolio of reserve items.

Weighted Average Life Methods:

The Weighted Average Life (WAL) is calculated by multiplying the cost of each item times the number of months until replacement, creating a WAL factor. The total of the WAL factors is divided by the total cost, producing the WAL. The system allows two methods for calculating the weighted average life:

- **Current Cost Method** - under the current cost method the WAL is calculated by utilizing the current cost of each item as of the analysis date and the number of months until each individual is scheduled to be replaced. The system can calculate the weighted average life every month up to 360 months (when in the monthly method, or is recalculated when additional units or costs come on line in the non-monthly method). Over the 360 month projection, whenever an individual item has been replaced, the current cost which was used for that item to calculate the WAL is replaced by the newly expended amount, which is effected by inflation. The system will always use the projected months data, the current cost or new current cost and the months until replacement, for calculating the WAL.
- **Future Cost Method** - for the future cost method the WAL is calculated by utilizing the future cost of each item as of the analysis date and the number of months until each individual item is scheduled to be replaced. The system will calculate the WAL every month for 360 months (when in the monthly method, or is recalculated when additional units or costs come on line in the non-monthly method). Over the 360 month projection, whenever an individual item has been replaced, the future cost which was used from that item has been replaced, the future cost which was used from that item to calculate the WAL is replaced by the new projected future cost. The system will always use the projected months data, the future replacement cost or new future cost and months until replacement, for calculating the WAL.

The current cost and future cost methods for calculating the WAL will derive different results based upon the profile of the items. Depending on the materiality (cost) and the timing (months till replacement) of the individual items and the inflation rate, different WALs will result. In some instances the WAL of the portfolio under the current cost method will be less than the future cost method, and vice versa. It must be noted that the higher the WAL of the portfolio, the lower the monthly contribution, and vice versa. When comparing the two methods on identical data bases, the main differences are noticeable in the first analysis year and then in the following years the methods will tend to trade back and forth depending on the profile of the items. Each data base will give different results, being no two data bases are alike.

Calculation Methods

The PRA System offers alternative methods in which the system calculations are performed.

Calculation Methods:

Once the user has determined which WAL method to use, the user will select one of the following calculation methods:

- **Monthly Method** - the system will calculate the WAL every month, to be used in the analysis calculation of the contribution amount. The cost (either current or future) will be utilized and the number of months until the item is to be replaced. The contribution amount will change every month, fluctuating up and down depending on the profile of the items. Assuming inflation is being utilized in the analysis, the system will automatically increase the monthly contribution amount when necessary to ensure that there will always be sufficient funds when needed. The cost of living increase is not necessary in the monthly method. The monthly method is the most accurate in determining the most optimum contribution amount which fluctuates on a monthly basis. The monthly method is usually not the favorable method for common interest properties which don't care to see the monthly contribution fluctuating. This method is more acceptable for commercial purposes. The following is usually more accepted by common interest properties.
- **Non-Monthly Method** - the system will calculate the WAL in the first month of the analysis and in every month in which additional units and common area or unit items come on line for the first time. The contribution amount will remain constant from the initial analysis month until one of these situations take place, then a new WAL will be calculated producing a new contribution amount. This process will repeat whenever one of the these situations occurs. If none of the above situations occurs, then the contribution amount will be constant for 360 months. This might not sound useful having the same contribution amount for 360 months, but this can be adjusted utilizing the contribution factor (annual cost of living increase) and the adjustment factor (for optimizing the contribution amount based upon the analysis profile).

The user has two methods for calculating the WAL, current cost and future cost methods, and two derivatives of these methods, the monthly and non-monthly methods. These methods are designed for customized analyses with the utmost in detail and accuracy. Once the use of these methods has been determined and all the individual items have been entered into the database, the Reserve Profile Analysis can be performed.
