

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2023**

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Management of
Lakeridge Condominium Association, Inc.
Winter Haven, Florida

Opinion

We have audited the accompanying financial statements of **Lakeridge Condominium Association, Inc.** (a Florida Not For Profit Corporation), which comprise the balance sheet as of December 31, 2023, and the related statements of revenues, expenses and changes in fund balances, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Lakeridge Condominium Association, Inc.** as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Lakeridge Condominium Association, Inc.** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Future Major Repairs and Replacements

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. We have not applied procedures to determine whether the funds designated for future major repairs and replacements as discussed in Note 7 are adequate to meet such future costs because that determination is outside the scope of our audit. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Lakeridge Condominium Association, Inc.**'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Lakeridge Condominium Association, Inc.**'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Lakeridge Condominium Association, Inc.**'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

**INDEPENDENT AUDITORS' REPORT
(CONTINUED)**

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Supplementary Information on Future Major Repairs and Replacements on pages 15-16, and Schedule of Operating Expenses – Budget vs Actual on page 17 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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Winter Garden, Florida

July 10, 2024

LAKERIDGE CONDOMINIUM ASSOCIATION, INC
BALANCE SHEET
DECEMBER 31, 2023

	<u>Operating Fund</u>	<u>Replacement Reserve Fund</u>	<u>Total</u>
ASSETS:			
Cash	\$89,290	\$775,854	\$865,144
Accounts receivables, net of allowance for doubtful accounts of \$0	43,259	-	43,259
Due from operating fund	-	94,807	94,807
Prepaid expenses	27,573	-	27,573
Other asset - deposit	1,001	-	1,001
	<u>\$161,123</u>	<u>\$870,661</u>	<u>\$1,031,784</u>
Total assets			
 LIABILITIES AND FUND BALANCES:			
LIABILITIES:			
Accounts payable	\$1,172	-	\$1,172
Income tax payable	10,346	-	10,346
Due to reserve fund	94,807	-	94,807
Assessments received in advance	6,252	-	6,252
Contract liabilities - assessments received in advance - replacement fund (Note 4)	-	870,661	870,661
	<u>112,577</u>	<u>870,661</u>	<u>983,238</u>
Total current liabilities			
 FUND BALANCES	 <u>48,546</u>	 <u>-</u>	 <u>48,546</u>
Total liabilities and fund balances	<u>\$161,123</u>	<u>\$870,661</u>	<u>\$1,031,784</u>

See independent auditors' report and the accompanying notes to the financial statements

LAKERIDGE CONDOMINIUM ASSOCIATION, INC
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Operating Fund	Replacement Reserve Fund	Total
REVENUES:			
Maintenance dues	\$331,004	\$61,920	\$392,924
Other income	36,949	-	36,949
Interest income	76	1,509	1,585
Total revenues	<u>368,029</u>	<u>63,429</u>	<u>431,458</u>
OPERATING EXPENSES			
Utilities	124,728	-	124,728
Insurance	105,866	-	105,866
General and administrative	101,336	-	101,336
Building maintenance	57,122	-	57,122
Landscape and grounds maintenance	17,125	-	17,125
Reserve expenses	-	63,429	63,429
Total expenses	<u>406,177</u>	<u>63,429</u>	<u>469,606</u>
Excess (shortage) of revenues over expenses	(38,148)	-	(38,148)
Fund balance (deficit) at beginning of year	<u>86,694</u>	<u>-</u>	<u>86,694</u>
Fund balance (deficit) at end of year	<u><u>\$48,546</u></u>	<u><u>-</u></u>	<u><u>\$48,546</u></u>

See independent auditors' report and the accompanying notes to the financial statements

LAKERIDGE CONDOMINIUM ASSOCIATION, INC

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

RECONCILIATION OF EXCESS (SHORTAGE) OF REVENUES OVER EXPENSES WITH NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	<u>Operating Fund</u>	<u>Replacement Reserve Fund</u>	<u>Total</u>
Excess (shortage) of revenues over expenses	(\$38,148)	-	(\$38,148)
Adjustments to reconcile excess (shortage) of revenues over expenses provided by operating activities			
Accounts receivable	(40,106)	-	(40,106)
Due from reserve fund / (operating fund)	1,964	(94,807)	(92,843)
Prepaid expenses	(8,534)	-	(8,534)
Prepaid income tax	(196)		
Increase (Decrease) in liabilities:			
Accounts payable	(570)	-	(570)
Accrued expenses	1,172	-	1,172
Dues paid in advance	(1,967)	-	(1,967)
Due to reserve fund / (operating fund)	94,807	(1,964)	92,843
Contract liability - dues paid in advance	-	745,941	745,941
Total adjustments	<u>46,570</u>	<u>649,170</u>	<u>695,936</u>
Net cash provided (used) by operating activities	<u>8,422</u>	<u>649,170</u>	<u>657,592</u>
INCREASE (DECREASE) IN CASH	8,422	649,170	657,592
Cash at beginning of year	<u>80,868</u>	<u>126,684</u>	<u>207,552</u>
Cash at end of year	<u><u>\$89,290</u></u>	<u><u>\$775,854</u></u>	<u><u>\$865,144</u></u>

See independent auditors' report and the accompanying notes to the financial statements

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Lakeridge Condominium Association, Inc. (“The Association”) was incorporated on July 10, 1973 under the laws of the State of Florida as a not-for-profit under the terms and provisions of Chapter 617, Florida Statutes. The Association, which operates under Florida Statute 718 is responsible for the operation and maintenance of the common property within development. The development consists of 79 residential units located in Winter Haven, Florida.

The Association is self-managed and maintains a manager as an employee for administrative functions.

Fund Accounting

The Association’s governing documents provide certain guidelines for carrying out its financial activities. To ensure observance of limitations and restrictions placed on the use of resources available to the Association, the Association maintains its accounts in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. The financial activities of the Association are reported in funds as follows:

- ✓ **Operational Fund** – used to account for financial resources available for the general operation of the Association. Disbursements from the Operating Fund are generally at the discretion of the Board of Directors and the Association manager.
- ✓ **Replacement Fund** – used to account for assessments made for major repairs and replacement of common property, and related expenses. Disbursements from the Replacement Fund may only be utilized in accordance with Florida Statutes and the purposes established by the Board of Directors and the Association membership.

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).

Revenue Recognition

Revenues are recognized when earned and expenses are recognized when incurred.

Interest Income

The Association's policy is to allocate interest earned to the operating and replacement fund in proportion to the interest bearing deposits of each fund.

Cash and Cash Equivalent

For purposes of the statements of cash flows, the Association considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. At December 31, 2023, there were no cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Real and Common Area Property

Real and common area property acquired by the original homeowners from the developer is not capitalized on the Association's financial statements, since it is owned by the individual owners in common and not by the Association. As a result, improvements to the real property and common areas are expenses as incurred.

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Member Assessments and allowance for doubtful accounts

Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transactions amounts expected to be collected. The Association's performance obligations related to its operating assessments is satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose. The owners' maintenance installments in effect during 2023 were \$600 per month

Assessments receivable at the balance sheet date represent fees due from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are delinquent. Any excess assessments at year-end are retained by the Association for use in future years. The Association provides for doubtful accounts based on experience and analysis of individual accounts. When the collectability of a receivable becomes questionable, an allowance for doubtful accounts is established. When specific accounts are determined to be uncollectible, they are written off by charging the allowance and crediting the receivable. At December 31, 2023, the Association had assessments receivable of \$43,259, net of allowance of doubtful accounts of \$0. Owners who have overpaid their assessments and have credit balances in accounts receivable at the balance sheet date have had their balance recorded as a Assessments Received in Advance in the liability section of the balance sheet.

Fair Value of Financial Instruments

The Association's financial instruments consist primarily of cash and cash equivalents, assessments receivable, deposits, taxes payable, and contract liabilities. The carrying amounts of such financial instruments approximate their respective estimated fair values due to the short-term maturities and approximate market interest rates of these instruments. The estimated fair values are not necessarily indicative of the amounts the Association would realize in a current market exchange or from future earnings or cash flows.

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contract Liabilities (Assessments received in advance – replacement fund)

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance – replacement fund) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments.

2. INCOME TAXES

Homeowners' associations may elect to be taxed as regular corporations or as homeowner's associations. The Association elected to be taxed as a homeowner's association for the year ended December 31, 2023, and filed Form 1120-H. Under that election, the Association is taxed on its nonexempt function income, such as interest earnings, at a flat rate of 30%.

Exempt function income, which consists primarily of member assessments, is not taxable. There were no income taxes due for the year ended December 31, 2023. Under federal and state income tax laws, the Association's income tax returns are subject to examination by the applicable taxing authorities. The time period during which a return may be selected by the taxing authority for examination is generally three years from the due date of the tax return including extensions. At December 31, 2023 the Association's tax years that remain subject to examination are 2020-2023. In evaluating the Association's tax provisions and accruals the Association believes that its estimates are appropriate based on current facts and circumstances. The Association continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings.

3. CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the HOA to concentrations of credit risk, as defined by accounting principles generally accepted in the United States of America, consist primarily of bank accounts and certificates of deposit with balances in excess of amounts insured by the Federal Deposit Insurance Corporation (**\$250,000**) and member assessments receivable. At December 31, 2023, the Association's has uninsured cash balance amounted to **\$525,566**.

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

4. REVENUES FROM CONTRACTS FROM CUSTOMERS

The Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*) which provides a five-step analysis of contracts to determine when and how revenue is recognized and replaces most existing revenue recognition guidance in the United States of America generally accepted accounting principles. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. ASC 606 is effective for annual reporting periods beginning after December 15, 2019. The Association adopted ASC 606 with a date of the initial application of January 1, 2020.

The adoption of this ASU has an impact on the Associations' financial statements. The Association's revenues come from member assessment income and member replacement fund assessment. These revenues fall within the scope of ASC 606 and are recognized as revenue as the Association satisfies its performance obligation to the homeowner/customer. Performance obligation within the scope of ASC 606 is the passing of the CIRA's annual budget and billing those member assessments. These revenues are earned over time on a daily basis based on the annual budget.

Based on the Association's evaluation process and review of its contracts with members, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. However, changes were required to previously reported members replacement fund revenues as a result of the adoption.

The activity in contract liabilities (assessments received in advance – replacement funds) during the year ended December 31, 2023, are as follows:

Beginning balance – 12/31/2022	\$ 124,720
Revenues:	
Maintenance dues – reserve fund	237,700
Special assessment (Note 6)	570,064
Interest income	1,509
Miscellaneous	97
Operating expenses:	
Repair and maintenance	<u>(63,429)</u>
Ending balance – 12/31/2023	<u>\$ 870,661</u>

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

5. FUTURE MAJOR REPAIRS AND REPLACEMENTS

The HOA's governing documents, as well as Florida Statutes, require funds to be accumulated for future major repairs and replacements. Accumulated funds, which aggregate **\$870,661** at December 31, 2023, are held in a separate bank account and are not generally available for operating purposes. The funds are segregated and held primarily in interest-bearing money market accounts with Regions Bank.

In January 1, 2022 the HOA obtained a full reserve study from Experts Inspectors, Inc. The HOA intends to fund future major repairs and replacements based upon the timing and estimated replacement costs outlined in the 2022 reserve study. Actual expenditures, however, may vary from the estimated amounts and these variations may be material. The HOA is using the pooled reserve method as described in Florida Administrative Code 61B-22.005. Under either the pooled or straight-line reserve methods, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right, subject to member approval to increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

Based on the reserve study and the board's updates on the estimates made, the recommended contributions for the replacement of property and equipment are as follows:

	Contributions Required	Expected Expenditures	Expected Income on Reserves	Expected Fund Balance
Total assets Reserve Fund beginning of year:				\$870,661
Activity 2024	\$237,700	\$1,071,336	\$0	37,025
Activity 2025	237,700	114,555	0	160,170
Activity 2026	237,700	70,915	0	326,955
Activity 2027	237,700	527,308	0	37,347
Activity 2028	237,700	134,100	0	140,947
Totals for next five years	\$ 1,188,500	\$ 1,918,214	\$ 0	\$ 140,947

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

6. SPECIAL ASSESSMENT

On May 18, 2023, a special assessment was approved to fund the reserve for replacement, the terms and status of the special assessment is as follows:

Payable on or before:	12/31/2023
Total amount	<u>\$ 570,604</u>
Amount per unit (79)	<u>\$ 7,216</u>
Special assessment receivable (owners) as of 12/31/2023	<u>\$ 43,296</u>
Amount pending to be transferred to reserve fund	<u>\$ 94,807</u>

7. SUBSEQUENT EVENTS

The Association follows the provisions of FASB ASC 855 "Subsequent Events", which establishes general standards to be applied in accounting for, and disclosure of events that occur after the financial statement's date but before the financial statement is issued or available to be issued. This standard introduces the concept of financial statements available to be issued", which are financial statements that are complete in form and format, that complies with generally accepted accounting principles (GAAP) and have obtained all approvals required for issuance.

FASB ASC 855 requires the disclosure of the date through which an entity has evaluated subsequent events and the basis for the date, whether it is the date the financial statement was issued or available to be issued.

Company's management evaluated subsequent events until July 10, 2024, date in which the financial statement is available to be issued. No significant events that should have been recorded or disclosed in the financial statements were noted.

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

8. STRUCTURAL INTEGRITY RESERVE STUDY “SIRS” (Senate Bill SB-4D)

Background:

In 2022, the Governor signed Florida Senate Bill SB-4D into law. These new condominium requirements are part of both the Florida Statutes 553 for Building Construction Standards as well as Florida Statutes 718 and 719 regulating Florida Condominiums, HOAs and Cooperative Associations. The law pertains to all condominiums and cooperatives three-stories or higher. The law requires mandatory building inspections, structural reserve studies, and spells out how reserve budgets are to be funded.

Florida Statutes:

As a result of Senate Bill SB-4D, Chapter 718 of the Florida Statutes provides provisions for condominiums and speaks to the requirements of structural Integrity Reserve Studies (SIRS).

At a minimum, a SIRS must: identify the common areas being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of the common areas being visually inspected, and provide a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each common area being visually inspected by the end of the estimated remaining useful life of each common area.

Section 718.112(2)(g) of the statutes provides additional guidance about SIRS and states: An association must have a SIRS completed at least every ten years after the condominium’s creation for each building on the condominium property that is three stories or higher in height which includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building: a. Roof. b. Load-bearing walls or other primary structural members. c. Floor. d. Foundation. e. Fireproofing and fire protection systems. f. Plumbing. g. Electrical systems. h. Waterproofing and exterior painting. i. Windows. j. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000 and the failure to replace or maintain such item negatively affects the items listed in subsubparagraphs a. through i., as determined by the licensed engineer or architect performing the visual inspection portion of the structural integrity reserve study.

Funding Plan:

Based on the above, on January 24, 2023 the association obtained a Structural Reserve Study "SIRS", which was prepared by Andreas M. Sager, PE and commencing in January 2025, the association will be establishing the new fund required by law and making its corresponding contributions.

REQUIRED SUPPLEMENTARY INFORMATION

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION ON FUTURE MAJOR
REPAIRS AND REPLACEMENTS (UNAUDITED)

DECEMBER 31, 2023

The Board of Directors obtained a reserve study, dated January 1, 2022, to estimate the remaining useful lives and the replacement cost of the component of common property. Replacement costs were based on estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs are revised by the board annually and do not take into account the effects of inflation between the date of the study and the date that the component will require repair or replacement.

The following information is based on the study prepared and present significant information about the components of common property, as detailed in next page.

Contract liability (assessments received in advance – replacement Fund), at December 31, 2023:

Pooled Reserve	<u>\$ 870,661</u>
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2023 Reserve Fund Contributions:

Per approved budget	\$ 237,700
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Per special assessment	<u>570,064</u>
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Total	<u>\$ 807,764</u>
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Continues

LAKERIDGE CONDOMINIUM ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION ON FUTURE MAJOR
REPAIRS AND REPLACEMENTS (UNAUDITED)
DECEMBER 31, 2023

Reserve Component	Estimated Total Useful Life (Yrs)	Estimated Remaining Useful Life (Yrs)	Estimated Replacement Cost	Annual Reserve Requirement
Building Exterior Painting including Carports	10	1	\$159,981	\$15,998
Building Roof Base	20	4	\$443,901	\$22,195
Building Roof Coating	20	14	\$109,100	\$5,455
Building Windows Replacement	35	1	\$885,543	\$25,301
Carport Roofing	10	9	\$35,132	\$3,513
Common Area Doors Allowance	10	15	\$14,183	\$1,418
Community/ Lobby Remodel	25	4	\$21,820	\$873
Concrete Repair Allowance	5	5	\$109,100	\$21,820
Debris Cleanup Allowance	10	15	\$54,550	\$5,455
Elevator Equipment	40	17	\$375,304	\$9,383
Elevator Modernization	35	16	\$144,012	\$4,115
Entrance Gate Motors	15	7	\$27,493	\$1,833
Entrance Gates	25	23	\$29,130	\$1,165
Exterior Walkway Carpet/ Non Slip Coating	25	2	\$114,555	\$4,582
Exterior Walkway Coating/ Ground Level	25	18	\$16,365	\$655
Fire Prevention System	20	12	\$41,458	\$2,073
Fire Pump	50	11	\$80,734	\$1,615
Insurance Deductible Allowance (inc. wind)	10	15	\$590,615	\$59,062
Irrigation System & Sprinklers	15	18	\$16,365	\$1,091
Landscape Allowance	10	15	\$27,275	\$2,728
Lighting Allowance	5	4	\$17,892	\$3,578
Mailboxes	40	3	\$16,365	\$409
Office Equipment, Furniture & Finishes	20	23	\$16,365	\$818
Pavement Reseal	5	1	\$25,812	\$5,162
Pavement Resurface	15	13	\$150,935	\$10,062
Perimeter Fencing	30	7	\$43,640	\$1,455
Plumbing & Electrical Allowance	5	3	\$54,550	\$10,910
Pool Equipment	20	19	\$39,276	\$1,964
Pool Fencing	30	29	\$21,022	\$701
Pool Furniture	15	14	\$5,455	\$364
Pool Resurface	15	14	\$46,903	\$3,127
Professional Services Allowance	5	5	\$25,000	\$5,000
Shuffleboard Court Resurface	20	4	\$10,965	\$548
Signs	10	16	\$5,455	\$546
Storm Water Drainage	20	26	\$10,910	\$546
Tennis Court Resurface & Repair	15	4	\$32,730	\$2,182
			\$3,819,892	\$237,700

LAKERIDGE CONDOMINIUM ASSOCIATION, INC

OPERATING EXPENSES - BUDGET VS. ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2023

	Actual	Budget	Change
UTILITIES:			
Cable TV	\$60,236	\$60,000	236
Water and sewer	30,627	28,000	2,627
Electricity (building)	15,980	14,000	1,980
Gas	11,383	12,000	(617)
Telephone and internet	3,699	3,000	699
Electricity (street lights)	2,145	1,800	345
Electric service (charging station)	658	350	308
	<u>\$124,728</u>	<u>\$119,150</u>	<u>\$5,578</u>
INSURANCE:			
Property insurance	\$79,714	\$55,000	24,714
General liability insurance	13,530	12,000	1,530
Umbrella insurance	8,835	5,800	3,035
Directors and officers insurance	2,306	1,600	706
Workmen compensation insurance	774	800	(26)
Fidelity bond	707	700	7
	<u>\$105,866</u>	<u>\$75,900</u>	<u>\$29,966</u>
GENERAL AND ADMINISTRATIVE:			
Manager salary	\$58,998	\$58,000	\$998
Income tax	10,916	8,000	2,916
Professional services	9,650	0	9,650
CPA Fees	4,839	2,400	2,439
Payroll taxes	4,562	5,000	(438)
Finance charges	2,666	0	2,666
Community relations	1,997	2,000	(3)
Payroll service	1,771	1,600	171
Office computer software	1,505	1,200	305
Bank charges	903	790	113
Legal fees	891	1,000	(109)
Office supplies	705	500	205
Division fees / corp. report	693	377	316
Postage	487	300	187
Website	397	350	47
Licensing and permits	356	250	106
Contingency	0	18,000	(18,000)
Office equipment	0	1,000	(1,000)
	<u>\$101,336</u>	<u>\$100,767</u>	<u>\$569</u>
BUILDING MAINTENANCE:			
Maintenance repairs and supplies	\$17,216	\$8,000	\$9,216
Elevator maintenance	9,623	8,000	1,623
Exterior building & grounds maintenance and repairs	7,916	6,000	1,916
Pool maintenance	7,741	7,500	241
Cleaning services	7,691	8,000	-309
Plumbing repairs and supplies	4,050	5,000	(950)
Interior building maintenance and repairs	1,595	5,000	(3,405)
Charging station (service)	0	1,000	(1,000)
Elevator monitoring	1,290	1,100	190
	<u>\$57,122</u>	<u>\$49,600</u>	<u>\$7,522</u>
LANDSCAPE/GROUNDS MAINTENANCE:			
Lawn maintenance	\$14,400	\$14,400	0
Fertilization pest/weed control	2,725	3,000	(275)
	<u>\$17,125</u>	<u>\$17,400</u>	<u>(\$275)</u>
RESERVE FUND CONTRIBUTION (Note 4)			
	<u>\$0</u>	<u>\$237,700</u>	<u>(\$237,700)</u>
Total expenses	<u>\$406,177</u>	<u>\$600,517</u>	<u>(\$194,340)</u>