

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM
ASSOCIATION, INC.

FINANCIAL STATEMENTS

OCTOBER 31, 2014 & 2015

MARC LABOSSIÈRE PA
CERTIFIED PUBLIC ACCOUNTANT

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.

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OCTOBER 31, 2014 & 2015

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MARC LABOSSIERE, P.A.
1222 NE 4TH AVENUE
FORT LAUDERDALE, FLORIDA 33304
CERTIFIED PUBLIC ACCOUNTANT

MEMBER FLORIDA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Waterside Village of Palm Beach Condominium Association, Inc.

We have audited the accompanying financial statements of Waterside Village of Palm Beach Condominium Association, Inc., which comprise the balance sheets as of October 31, 2014 and October 31, 2015, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Waterside Village of Palm Beach Condominium Association, Inc. as of October 31, 2014 and October 31, 2015, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that a statement on Future major repairs and replacements on pages 13 & 14 be presented to supplement the basic

MARC LABOSSIERE, P.A.
1222 NE 4TH AVENUE
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financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Marc Labossiere PA

Fort Lauderdale, Florida

January 16, 2016

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
 BALANCE SHEET
 As of October 31, 2014 & 2015

ASSETS	10/2015			10/2014		
	<u>OPERATING FUND</u>	<u>RESTRICTED FUND</u>	<u>TOTAL</u>	<u>OPERATING FUND</u>	<u>RESTRICTED FUND</u>	<u>TOTAL</u>
Cash in Banks	\$ 141,634	\$ 10,691	\$ 152,325	\$ 84,590	\$ 1,128	\$ 85,718
Certificate of Deposit	-0-	760,000	760,000	-0-	660,000	660,000
Due to/From Fund	(65)	65				
Assessments Receivable	44,454		44,454	67,167		67,167
Less: Provision for Bad Debts	(38,804)		(38,804)	(59,811)		(59,811)
Prepaid Expenses	135,427		135,427	131,749		131,749
Deposits	2,235		2,235	2,235		2,235
Property and equipment -- net of accumulated depreciation of \$ 265,645	<u>239,070</u>	<u>.....</u>	<u>239,070</u>	<u>241,738</u>	<u>.....</u>	<u>241,738</u>
TOTAL ASSETS	<u>\$ 523,951</u>	<u>\$ 770,756</u>	<u>\$ 1,294,707</u>	<u>\$ 467,668</u>	<u>\$ 661,128</u>	<u>\$ 1,128,796</u>
LIABILITIES & FUND BALANCES						
Accounts Payable & Accrued Liabilities	139,265		139,265	94,507		94,507
Prepaid Maintenance Assessments	<u>47,138</u>		<u>47,138</u>	<u>35,691</u>	<u>.....</u>	<u>35,691</u>
Total Liabilities	186,403	-0-	186,403	130,198	-0-	130,198
FUND BALANCES	<u>337,548</u>	<u>770,756</u>	<u>1,108,304</u>	<u>337,470</u>	<u>661,128</u>	<u>998,598</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 523,951</u>	<u>\$ 770,756</u>	<u>\$ 1,294,707</u>	<u>\$ 467,668</u>	<u>\$ 661,128</u>	<u>\$ 1,128,796</u>

READ INDEPENDENT AUDITOR'S REPORT AND ACCOMPANYING NOTES

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF REVENUE, EXPENSES
FOR THE YEARS ENDED OCTOBER 31, 2014 & 2015

<u>REVENUE</u>	10/2015			10/2014		
	<u>OPERATING</u>	<u>RESTRICTED</u>	<u>TOTAL</u>	<u>OPERATING</u>	<u>RESTRICTED</u>	<u>TOTAL</u>
	<u>FUND</u>	<u>FUND</u>		<u>FUND</u>	<u>FUND</u>	
Maintenance Assessments	\$ 1,412,035	\$ 92,500	\$ 1,504,535	\$ 1,411,760	\$ 92,500	\$ 1,504,260
Screening Fees	29,277		29,277	29,769		29,769
Interest Income		17,140	17,140	57	20,695	20,752
Late Fees	3,140		3,140	2,061		2,061
Other Revenues	<u>5,922</u>	<u>5,922</u>	<u>8,839</u>	<u>8,839</u>
TOTAL REVENUES	<u>1,450,374</u>	<u>109,640</u>	<u>1,560,014</u>	<u>1,452,486</u>	<u>113,195</u>	<u>1,565,681</u>
EXPENSES						
Salaries and Benefits	194,611		194,611	204,021		204,021
Water & Sewer	233,935		233,935	225,257		225,257
Insurance	270,467		270,467	257,880		257,880
Cable Television	62,747		62,747	59,578		59,578
Repairs, Maintenance and Supplies	75,818		75,818	72,417		72,417
Electric and Gas Utilities	48,378		48,378	47,747		47,747
Depreciation Expenses	2,668		2,668	2,668		2,668
Trash Collection	42,769		42,769	41,409		41,409
Grounds Maintenance, Landscaping and Supplies	191,441		191,441	198,914		198,914
Professional Fees	31,746		31,746	32,326		32,326
Pest Control	19,748		19,748	24,565		24,565
Office Expenses and Supplies	17,928		17,928	17,987		17,987
Pool Maintenance and Supplies	16,246		16,246	27,303		27,303
Telephone & WIFI	9,550		9,550	9,399		9,399
Licenses, Taxes and Fees	5,946		5,946	5,689		5,689
Travel	994		994	1,030		1,030
Alarm System	476		476	-0-		-0-
Interest and Bank Charges	1,136	12	1,148	1,008	148	1,156
Security	53,585		53,585	54,716		54,716
Social Facilities	9,289		9,289	14,154		14,154
Screening Fees	10,927		10,927	11,054		11,054
Painting Program	36,752		36,752	36,874		36,874
Bad Debts (Recovery)	(1,707)		(1,707)	(9,348)		(9,348)
South Security Camcras	2,028		2,028	5,566		5,566
Contingency	-0-		-0-	(2,648)		(2,648)
Clubhouse Improvements	15,200		15,200	-0-		-0-
Collection Costs	4,947		4,947	11,582		11,582
Railroad Noise/Dust	-0-		-0-	16,261		16,261
Bench Replacements	-0-		-0-	421		421
Land Purchase	-0-		-0-	-0-	125,059	125,059
Louver	15,072		15,072	-0-		-0-
Windows	6,024		6,024	-0-		-0-
Streets	4,405		4,405	15,685		15,685
Pool & Spa	-0-		-0-	1,938		1,938
East Pool Resurfacing	175		175	17,999		17,999
Awnings	20,825		20,825	21,525		21,525
Provence Alley	5,939		5,939	18,400		18,400
East Well	17,650		17,650	-0-		-0-
Condo Doc Revisions	15,000		15,000	-0-		-0-
Sprinklers	7,581	-0-	7,581	6,095	-0-	6,095
TOTAL EXPENSES	<u>1,450,296</u>	<u>12</u>	<u>1,450,308</u>	<u>1,449,472</u>	<u>125,207</u>	<u>1,574,679</u>
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 78</u>	<u>\$ 109,628</u>	<u>\$ 109,706</u>	<u>\$ 3,014</u>	<u>\$ (12,012)</u>	<u>\$ (8,998)</u>

READ INDEPENDENT AUDITOR'S REPORT AND ACCOMPANYING NOTES

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
 STATEMENT OF CHANGES IN FUND BALANCES
 FOR THE YEARS ENDED OCTOBER 31, 2014 & 2015

10/2015

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
FUND BALANCE BEGINNING	\$ 337,470	\$ 661,128	\$ 998,598
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>78</u>	<u>109,628</u>	<u>109,706</u>
FUND BALANCE ENDING	<u>\$ 337,548</u>	<u>\$ 770,756</u>	<u>\$ 1,108,304</u>

10/2014

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
FUND BALANCE BEGINNING	\$ 334,456	\$ 673,140	\$ 1,007,596
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>3,014</u>	<u>(12,012)</u>	<u>(8,998)</u>
FUND BALANCE ENDING	<u>\$ 337,470</u>	<u>\$ 661,128</u>	<u>\$ 998,598</u>

READ INDEPENDENT AUDITOR'S REPORT AND ACCOMPANYING NOTES

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
 STATEMENT OF CASH FLOWS
 FOR THE YEARS ENDED OCTOBER 31, 2014 & 2015

	10/2015			10/2014		
	<u>OPERATING FUND</u>	<u>RESTRICTED FUND</u>	<u>TOTAL</u>	<u>OPERATING FUND</u>	<u>RESTRICTED FUND</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES:						
SOURCES OF CASH:						
Maintenance Assessments	\$ 1,446,195	\$ 92,500	\$ 1,538,695	\$ 1,421,456	\$ 92,500	\$ 1,513,956
Screening Fees	29,277		29,277	29,769		29,769
Interest Income		17,075	17,075	57	20,695	20,752
Late Fees	3,140		3,140	2,061		2,061
Other Income	5,922	5,922	8,839		8,839
TOTAL SOURCES OF CASH	<u>1,484,534</u>	<u>109,575</u>	<u>1,594,109</u>	<u>1,462,182</u>	<u>113,195</u>	<u>1,575,377</u>
USES OF CASH:						
Expenses Paid	1,427,490	12	1,427,502	1,479,151	125,207	1,604,358
TOTAL USES OF CASH	<u>1,427,490</u>	<u>12</u>	<u>1,427,502</u>	<u>1,479,151</u>	<u>125,207</u>	<u>1,604,358</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>57,044</u>	<u>109,563</u>	<u>166,607</u>	<u>(16,969)</u>	<u>(12,012)</u>	<u>(28,981)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:						
NET CASH FROM FINANCING ACTIVITIES	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
(Increase) Decrease in certificate of deposit	-0-	(100,000)	(100,000)	-0-	(46,581)	(46,581)
NET CASH FROM INVESTING ACTIVITIES	<u>-0-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-0-</u>	<u>(46,581)</u>	<u>(46,581)</u>
NET INCREASE (DECREASE) IN CASH	57,044	9,563	66,607	(16,969)	(58,593)	(75,562)
CASH BEGINNING BALANCE	84,590	1,128	85,718	101,559	59,721	161,280
CASH ENDING BALANCE	<u>\$ 141,634</u>	<u>\$ 10,691</u>	<u>\$ 152,325</u>	<u>\$ 84,590</u>	<u>\$ 1,128</u>	<u>\$ 85,718</u>

READ INDEPENDENT AUDITOR'S REPORT AND ACCOMPANYING NOTES

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
 STATEMENT OF CASH FLOWS
 FOR THE YEARS ENDED OCTOBER 31, 2014 & 2015

	10/2015			10/2014		
	<u>OPERATING FUND</u>	<u>RESTRICTED FUND</u>	<u>TOTAL</u>	<u>OPERATING FUND</u>	<u>RESTRICTED FUND</u>	<u>TOTAL</u>
RECONCILIATION OF EXCESS REVENUE TO CASH FROM OPERATING ACTIVITIES:						
Excess (Deficiency) of Revenues over expenses	\$ 78	\$ 109,628	\$ 109,706	\$ 3,014	\$ (12,012)	\$ (8,998)
Adjustments to Reconcile Excess of Revenue to Net Cash Provided by Operating Activities:						
Depreciation expenses	2,668		2,668	2,668		2,668
(Increase) Decrease in Maintenance Assessments receivable	22,713		22,713	22,718		22,718
Increase (Decrease) In Provision for Bad Debts	(21,007)		(21,007)	(22,054)		(22,054)
Due to/from Fund	65	(65)	-0-	-0-		-0-
Decrease (increase) in prepaid expenses	(3,678)		(3,678)	(7,815)		(7,315)
Increase (decrease) in accounts payable	44,758		44,758	19,576		19,576
(Decrease) increase in prepaid maintenance assessments	<u>11,447</u>	<u>.....</u>	<u>11,447</u>	<u>(35,076)</u>	<u>.....</u>	<u>(35,076)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 57,044	\$ 109,563	\$ 166,607	\$ (16,969)	\$ (12,012)	\$ (28,981)

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash Paid for Income Taxes \$ -0-

READ INDEPENDENT AUDITOR'S REPORT AND ACCOMPANYING NOTES

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED OCTOBER 31, 2014 & 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Waterside Village of Palm Beach Condominium Association, Inc. (the Association) was incorporated in the State of Florida as a not-for-profit corporation on September 16, 1988. It is located in the town of Hypoluxo. The Association was formed to maintain and protect the common areas owned by the individual unit owners in common and consists of 412 units. One unit is used as the Association Office.

Basis of Presentation

The Association uses the accrual method of accounting, i.e., revenues are recognized as earned as of the date of billing and expenses are deducted in the period in which they are incurred.

The Association's financial statements use the fund method for presentation purposes. This method separates the assets, liabilities, and revenues and expenses of the operating and restricted funds (reserves). Disbursements from the operating fund are generally at the discretion of the Board of Directors whereas restricted funds may only be used for their designated purpose.

This financial statement is prepared in accordance with Florida Statute Section 718.301 (4) (c).

Cash Equivalents

For purposes of the statement of cash flows, the association considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Property and Equipment

Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. The Association capitalizes personal property to which it has title. Furniture and equipment are recorded at cost. Depreciation is computed principally on the accelerated cost recovery system method over the estimated remaining useful lives of the assets which range from five to thirty one and one-half years.

READ INDEPENDENT AUDITOR'S REPORT AND ACCOMPANYING NOTES

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEARS ENDED OCTOBER 31, 2014 & 2015

2. MAINTENANCE ASSESSMENTS

The Association's declaration provides that each owner is chargeable for their share of common expenses based upon the budget adopted. The Association has lien rights in the event of delinquent assessments, which can be exercised through foreclosure proceedings. The Association provides an allowance for losses on receivables based on a review of the current status of existing receivables, where applicable.

3. CERTIFICATES OF DEPOSITS

At October 31, 2015 the Association's certificates of deposit consist of the following:

<u>Description</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
Synchrony Bank	1.19 %	04/11/16	\$ 180,000
Synchrony Bank	1.43%	07/01/17	70,000
Iberia Bank	Varies	01/29/16	100,000
Iberia Bank	Varies	05/31/16	50,000
Iberia Bank	Varies	09/30/16	100,000
Bank of the West	Varies	11/26/21	160,000
Barclays Bank	Varies	10/28/16	<u>100,000</u>
Total			<u>\$ 760,000</u>

4. DEPOSITS

As of October 31, 2015 the Association's deposits consist of amounts on deposit with utility companies to obtain electric service.

READ INDEPENDENT AUDITOR'S REPORT

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEARS ENDED OCTOBER 31, 2014 & 2015

5. PROPERTY AND EQUIPMENT

As of October 31, 2015 Property and Equipment consists of the following:

Condominium unit	\$ 71,101
Maintenance Building	6,701
Equipment	10,641
Miner Road land	96,916
Land	125,059
Satellite TV System	<u>194,297</u>
Less: Accumulated Depreciation	<u>504,715</u>
Property and Equipment – Net	<u>\$ 239,070</u>

Included in Equipment above is \$ 18,000 of personal property which was transferred to the Association by the developer on the date of turnover. Such property was recorded based on values provided by the developer.

The Association has decided not to capitalize any purchases of Property & Equipment but rather to expense them in the year they occur, with the exception of Land Purchase.

6. RESTRICTED FUNDS - RESERVES

Florida Statutes provide that each proposed budget include provisions for reserves for capital improvements and deferred maintenance. These accounts, if adopted, are restricted to their intended purposes unless modified by a qualified unit owner vote.

The approved budget includes provisions for reserves for capital improvements and deferred maintenance. These funds are being accumulated based on the estimates of future needs for repairs and replacements of common property components as disclosed in the supplemental information. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

READ INDEPENDENT AUDITOR'S REPORT

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEARS ENDED OCTOBER 31, 2014 & 2015

The balance at October 31, 2015, consists of the following:

	<u>BEGINNING FUND BALANCE 10/31/14</u>	<u>MEMBERS' ADDITIONS</u>	<u>AMOUNTS DISBURSED</u>	<u>ENDING FUND BALANCE 10/31/15</u>
Roofs	\$ 252,866	\$ 33,000	\$ -0-	\$ 285,866
Painting	11,570	-0-	-0-	11,570
Streets	142,505	23,000	-0-	165,505
Pools and Spa	42,540	8,000	-0-	50,540
Awnings	74,074	1,000	-0-	75,074
Sprinklers	38,221	5,000	-0-	43,221
TV Cable				
Infrastructure	37,500	12,500	-0-	50,000
Interest	352	17,140	-0-	17,492
Working Capital	<u>61,500</u>	<u>10,000</u>	<u>-0-</u>	<u>71,500</u>
	<u>\$ 661,128</u>	<u>\$ 109,640</u>	<u>\$ -0-</u>	<u>\$ 770,768</u>

7. INCOME TAXES

The Association is treated as a tax-exempt organization under section 528 of the Internal Revenue Code with respect to its operating business income. It is taxed at the usual corporate income tax rates on its non-business income such as interest earned.

READ INDEPENDENT AUDITOR'S REPORT

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED OCTOBER 31, 2014 & 2015

8. 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 as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

9. UNINSURED CASH BALANCES

The Association maintains its operating and replacement cash balances at Regions Bank, Iberia Financial Services, Bank of the west, Barclays Bank and Synchrony Bank. Accounts located at commercial banks are secured by the Federal Deposit Insurance Corporation up to \$ 250,000. From time to time, the Association may have cash in financial institutions in excess of federally insured Limits. As of October 31, 2015, the Association had cash in excess of FDIC limits.

10. INSURANCE

The association maintains multiple insurance policies to remain compliant with the requirements set forth in the association's governing documents and chapter 718 F.S. Detailed information on any of these policies is available in the management office.

11. LAND PURCHASE

The Association entered into a Purchase and Sale agreement with Mark C. Albright to purchase real property known as Lots 101, 102, 149 & 150 Tropical Terrace Plat Book 22 Page 58, Hypoluxo, FL. The closing took place on May 5, 2014

12. SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 16, 2016, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

READ INDEPENDENT AUDITOR'S REPORT

SUPPLEMENTARY INFORMATION

SUPPLEMENTAL SCHEDULE

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND
REPLACEMENTS

OCTOBER 31, 2015

(Compiled)

The Association has not conducted an independent study to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on estimates that were provided by the management. Actual expenditures may vary from these estimated amounts and the variance may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

The following presents significant information about the components of common property:

<u>COMPONENTS</u>	<u>ESTIMATED REMAINING USEFUL LIVES</u>	<u>ESTIMATED REPLACEMENT COSTS</u>	<u>APPROXIMATE ANNUAL FUNDING REQUIREMENT</u>
Roofs	20 Years	\$ 1,000,000	\$ 33,500
Painting	1-7 Years	11,570	-0-
Streets	12 Years	575,000	23,500
Pools and Spas	3-5 Years	50,000	8,000
Cable TV	7 Years	125,000	12,500
Infrastructure			
Awnings	4 Years	75,000	-0-
Sprinklers	1 Years	<u>50,000</u>	<u>5,000</u>
		<u>\$ 1,886,570</u>	<u>\$ 82,500</u>

READ INDEPENDENT AUDITOR'S REPORT AND ACCOMPANYING NOTES