

**WATERSIDE VILLAGE OF PALM BEACH
CONDOMINIUM ASSOCIATION, INC.**

**MINUTES OF THE MEETING OF THE BOARD
OF DIRECTORS JANUARY 28, 2023, at 1:30 p.m. at
the CLUBHOUSE and via ZOOM**

PRESENT:

Andre Mongrain, Director, and President
Michael Shane, Director, and Vice-President
Marc Desrochers, Director, and Treasurer
Michel Thivierge, Director, and Secretary
Jean-Luc Beaudoin, Director
Daniel Laviolette, Director
Stéphane Paquin, Director

and Stacey Casey, Manager

1. Call to quorum

A Quorum was met as all seven directors were present (6 in person and 1 via Zoom) and the meeting started at 1:30pm

2. Approval of the Agenda

An amendment was made to the agenda to add in 3.1 Approval of contracts

The approval of the amended agenda was moved by Marc Desrochers, seconded by Daniel Laviolette and unanimously approved.

3. Approval of the Minutes of the Board Meeting held on January 3rd, 2023

The approval of the minutes of the meeting of the board of directors held on January 3rd, 2023 was moved by Jean-Luc Beaudoin, seconded by Michael Shane and unanimously approved.

3.1 Approval of contracts

Approval of the contracts was read by Andre Mongrain.

An approval motion was moved by Marc Desrochers, seconded by Stéphane Paquin and unanimously approved. The list of contracts is appended to the minutes and forms part of the Minutes as Appendix 1.

4. Review of the Audited Financial Statement for the year 2021-2022

President Andre Mongrain made a detailed review of the financial statements.

**WATERSIDE VILLAGE OF PALM BEACH
CONDOMINIUM ASSOCIATION, INC.**

The audited financial statements for the year 2021-2022 are appended to the minutes and forms part of Minutes as Appendix 2.

5. Appointment of the Auditor for the fiscal year 2022-2023

President Andre Mongrain recommended to mandate Danzinger & Asscosiates, CPA as the Auditor for next year.

The appointment of Danzinger & Associates, CPA as auditor for the fiscal year 2022-2023 was moved by Stephane Paquin, seconded by Marc Desrochers and unanimously approved.

6. Adjournment

The adjournment of the meeting was moved by Michel Thivierge, seconded by Jean-Luc Beaudoin and unanimously approved. The meeting was adjourned at 1:48pm.

Michel Thivierge, Secretary
January 28, 2023

APPENDIX 1

CONTRACTS AWARDED SINCE THE BOARD MEETING OF OCTOBER 27, 2022

Fast Dry Courts

Resurfacing of shuffleboard courts	\$6,500
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Chabot Irrigation

Monthly irrigation service	\$1,500
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Complete Spray Tech

Sidewalk pressure cleaning	\$7,830
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DMI Paving & Sealingcoating

Seal coating of select road areas	\$7,122
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Tropical Awning

Awning Replacement over #543/549	\$1,200
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Southeastern Termite and Pest Management

Termite treatments at #633, 637 and 729	\$4,200
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Mako Pools

West pool replacement of PH feeders	\$515
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West pool replacement of all filters	\$615
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R&T Construction

Broken sidewalk areas replaced	\$8,300
Replacement of concrete pad with pavers #22	\$2,340

Floral Acres

Removal and replacement of central fountain	\$8,169
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APPENDIX 2

WATERSIDE VILLAGE OF PALM BEACH, CONDOMINIUM ASSOCIATION, INC.

FINANCIAL STATEMENTS For the Year Ended October 31, 2022

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of Waterside Village of Palm Beach Condominium Association Inc, which comprise the balance sheet as of October 31, 2022, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position Waterside Village of Palm Beach Condominium Association Inc as of October 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance 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 Waterside Village of Palm Beach 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.

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.

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 Waterside Village'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 Waterside Village'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 Waterside Village'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.

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 page 12 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.



Karen M Danzinger, CPA, CAM
Deerfield Beach, Florida

January 19, 2023



WATERSIDE VILLAGE OF PALM BEACH
BALANCE SHEET
OCTOBER 31, 2022

		ASSETS		
CURRENT ASSETS:		Operating Fund	Reserve Fund	Total
Cash & Cash Equivalents		\$ 46,206	\$ 79,771	\$ 125,977
Assessments due		7,135		7,135
Allowance for Bad Debt		(4,080)		(4,080)
Prepaid insurance		183,609		183,609
Inter fund transfer due		0	(0)	-
	Total Current Assets	232,869	79,771	312,640
INVESTMENTS				
CD's with a maturity greater than 3 mos and withdrawal penalty clause			350,000	350,000
Annuities			1,210,334	1,210,334
	Total Investments	-	1,560,334	1,560,334
FIXED ASSETS				
Equipment		204,938		204,938
Buildings/Units		77,802		77,802
Land		221,974		221,974
Accumulated Depreciation		(282,740)		(282,740)
	Total Fixed Assets	221,974	-	221,974
OTHER ASSETS				
Deposits		2,235		2,235
	<i>Total Assets</i>	\$ 457,079	\$ 1,640,105	\$ 2,097,183

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES:				
Accounts payable		\$ 66,870	\$ -	\$ 66,870
Prepaid assessments		21,077		21,077
Accrued expenses		6,000		6,000
Contract Liabilities (<i>assessments received in advance-replacement fund</i>)			1,640,105	1,640,105
	Total Current Liabilities	93,948	1,640,105	1,734,052
FUND BALANCE:				
Fund balance		363,131	-	363,131
	Total Fund Balance	363,131	-	363,131
	<i>Total Liabilities and Fund Balance</i>	\$ 457,079	\$ 1,640,105	\$ 2,097,183

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT

WATERSIDE VILLAGE OF PALM BEACH
STATEMENT OF REVENUE, EXPENSES AND FUND BALANCE
FOR THE FISCAL YEAR ENDED OCTOBER 31, 2022

REVENUE:	Operating Fund	Reserve Fund	Total
Maintenance assessments	\$ 1,680,000	\$ -	\$ 1,680,000
Application/Estoppel fees	34,200		34,200
Late fee income	2,000		2,000
Interest income	1,706	-	1,706
Other income	3,815		3,815
<i>Total Revenue</i>	<u>1,721,721</u>	<u>0</u>	<u>1,721,721</u>
 EXPENDITURES:			
Utilities	459,619		459,619
Salaries & Wages	224,523		224,523
Security Guards	57,496		57,496
General & Administrative			
Insurance	482,490		482,490
Professional Fees	35,753		35,753
Bad Debt & Collection Fees	(9,700)		(9,700)
Licenses, Taxes, & Fees	7,780		7,780
Office Expenses	8,856		8,856
Screening Expenses	7,675		7,675
Social Facilities	15,519		15,519
Depreciation	0		0
Misc Admin	10,080		10,080
Maintenance			
Landscaping & Grounds Maint	235,671		235,671
Building Maintenance	86,203		86,203
Pool Maint & Supplies	26,495		26,495
Other Common Amenities	8,507		8,507
Fences & Signage	14,730		14,730
Pest Control	21,618		21,618
Plumbing repairs	1,455		1,455
Electrical repairs	2,825		2,825
Fire Safety	10,083		10,083
Janitorial Supplies	2,735		2,735
Golf Carts	4,284		4,284
Painting Program	0		0
Infrastructure	0		0
Misc Other Maintenance	5,476		5,476
<i>Total Expenses</i>	<u>1,720,173</u>	<u>0</u>	<u>1,720,173</u>
Income Over/(Under) Expenses:	1,548	0	1,548
Prior year adjustment			22,645
Fund balance Oct 31 2021	361,583		361,583
Fund balance Oct 31 2022	<u><u>\$ 363,131</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 363,131</u></u>

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT

WATERSIDE VILLAGE OF PALM BEACH
STATEMENT OF CASH FLOWS
OCTOBER 31, 2022

	Operating Fund	Reserve Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Member assessments collected	\$ 1,679,153	\$ 169,500	\$ 1,848,653
Late fees	2,000		2,000
Interest received	1,706	15,872	17,578
Application/Estoppel fees	34,200		34,200
Other income received	3,815		3,815
Allowance for bad debt	(6,260)		(6,260)
Cash paid for operating expenditures	<u>(1,727,166)</u>	<u>0</u>	<u>(1,727,166)</u>
<i>Net cash provided (used) by</i>			
<i>Operating Activities</i>	(12,552)	185,372	172,820
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase)/Decrease in certificates of deposit		(200,000)	(200,000)
(Increase)/Decrease in annuities		3,496	3,496
Cash and cash equivalents at			
October 31, 2021	58,758	90,903	149,661
Cash and cash equivalents at			
October 31, 2022	<u>\$ 46,206</u>	<u>\$ 79,771</u>	<u>\$ 125,977</u>
Reconciliation of revenues over			
Expenses to net cash used in			
Operating activities:			
Revenues in excess of expenses:	\$ 1,548	\$ -	\$ 1,548
(Increase) Decrease in			
assessments due	5,172		5,172
prepaid insurance	1,925		1,925
Increase (Decrease) in			
accumulated depreciation	0		-
allow for doubtful accts	(6,260)		(6,260)
accounts payable	(9,018)		(9,018)
prepaid assessments	(6,019)		(6,019)
accruals	100		100
contingent liabilities		185,372	185,372
<i>Net cash provided (used) by Operating</i>			
<i>Activities</i>	<u>\$ (12,552)</u>	<u>\$ 185,372</u>	<u>\$ 172,820</u>

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT

WATERSIDE VILLAGE OF PALM BEACH, CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED OCTOBER 31, 2022

NOTE A – NATURE OF ORGANIZATION

Waterside Village of Palm Beach, Condominium Association, Inc., is a statutory condominium association incorporated in the State of Florida on September 16, 1988. The Association is responsible for the operation and maintenance of the common property of Waterside Village of Palm Beach, Condominium Association, Inc and consists of 412 units. One unit is used as the Association Office.

NOTE B – DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition of disclosure through January 19, 2023, the date that the financial statements were available to be issued.

NOTE C – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

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

- *Operating Fund*-This fund is used to account for financial resources available for the general operations of the Association.
- *Replacement Fund*-This fund is used to accumulate financial resources designated for future major repairs and replacements.

Member Assessments & Assessments Receivable

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 transaction 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. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are thirty days or more

WATERSIDE VILLAGE OF PALM BEACH, CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED OCTOBER 31, 2022

delinquent. Any excess assessments at year end are retained by the Association for use in the succeeding year.

The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association's control. The balances of assessments receivable as of the beginning and end of the year are \$12,307 and \$7,135, respectively

Revenue Recognition

Revenue from maintenance fees is recognized in the period to which it applies, and payments in advance are deferred to the appropriate future period.

Special Assessments

Special assessments are recognized as revenue when the funds are used for the purpose intended. Special assessment revenue is deferred if the expenditure has not yet been incurred. There is currently no special assessment.

Cash Equivalents

For purposes of the balance sheet and statement of cash flows, the Association considers demand deposits with banks, certificates of deposit, money market funds and any other highly-liquid debt instruments purchased with a maturity of three months or less or with no penalty for early withdrawal to be cash equivalents.

Allocation of Expenses

The responsibility for payment of common expenses is allocated equally among individual unit owners as set forth in the governing documents.

Income Tax

The Association qualifies as a tax-exempt homeowners' association under Internal Revenue Code Section 528 for the year ended October 31, 2022. Under that Section, the Association is not taxed on income and expenses related to its exempt purpose, which is the acquisition, construction, management, maintenance, and care of Association property. Net nonexempt function income, which includes earned interest and revenues received from nonmembers, is taxed at 30% by the federal government and at 5.5% by the State of Florida. The association has no tax liability for the fiscal year ending October 31, 2022.

The Association's tax filings are subject to audit by various taxing authorities. At report date, the Association's federal income tax returns for 2018, 2019, and 2020 remain open to examination by the Internal Revenue Service. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

WATERSIDE VILLAGE OF PALM BEACH, CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED OCTOBER 31, 2022

Commitments

The association contracts with several vendors for various services to maintain the common property. These contracts are approved, as necessary, by the Board of Directors and have varying expiration dates and renewal terms.

Property and Equipment

The Association capitalizes all property and equipment to which it holds title or has other evidence of ownership. Real property and common areas acquired from the developer and related improvements to such property are not reflected on the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. Property and equipment are depreciated over the estimated useful lives of the assets using the straight-line method.

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 (are) recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of contract liabilities (assessments received in advance-replacement fund) as of the beginning and end of the year are \$1,454,732 and \$1,640,105, respectively.

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.

Fair Value Measurement

The Association's financial instruments consist primarily of cash, certificates of deposit, annuities, accounts receivable, accounts payable, insurance payable, and prepaid maintenance assessments. The carrying amount of these instruments approximate their fair value due to the short-term nature of such instruments.

Comprehensive Income

ASC 220 (formerly SFAS No. 130) requires "a full set of general purpose financial statements" to be expanded to include the reporting of comprehensive income. Comprehensive income is comprised of two components, net income and other comprehensive income. For the year ended October 31, 2022, there were no items that qualify as comprehensive income.

WATERSIDE VILLAGE OF PALM BEACH, CONDOMINIUM ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENT
 FOR THE YEAR ENDED OCTOBER 31, 2022

NOTE D – UNINSURED CASH BALANCES

The Association maintains accounts at multiple banks in Palm Beach County. Accounts located at each bank 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, the Association did not have any funds in excess of these limits.

NOTE E – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association’s governing documents and Florida statutes require funds to be accumulated for future major repairs and replacements unless waived by a vote of the membership at a duly held meeting for that purpose. Accumulated funds, which aggregate approximately \$1,640,105 at October 31, 2022, are held in a separate account and are generally not available for operating purposes.

The Board of Directors conducted an informal study in summer 2022 to estimate the remaining useful lives and the replacement costs of the common property and components. Actual expenditures may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, 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. Any interest earned on these funds is allocated to the varying components each year. The activity in these accounts is show below.

	Balance 10/31/2021	Additions	PY Interest		Expense	Transfer	Balance 10/31/2022
			Alloc	CY Interest			
Roofs	\$ 552,570	43,000				7,159	\$ 602,729
Painting	\$ 12,714	42,000				165	\$ 54,879
Asphalt	\$ 334,791	41,000				4,337	\$ 380,128
Pools	\$ 86,602	4,000				1,122	\$ 91,724
Awning	\$ 82,504					1,068	\$ 83,572
Sprinklers	\$ 72,565	4,500				940	\$ 78,005
TV Infrastructure	\$ 85,959	5,000				1,114	\$ 92,073
Infrastructure	\$ -	10,000					\$ 10,000
Working Capital	\$ 208,422	20,000				2,700	\$ 231,122
Interest	\$ 18,605			15,896	(24)	(18,605)	\$ 15,872
Total	\$ 1,454,732	169,500	-	15,896	(24)	-	\$ 1,640,105

NOTE F – INSURANCE DEDUCTIBLES

In compliance with the Association’s governing documents and Florida statute, the Association maintains multiple types of insurance policies, including property, wind,

WATERSIDE VILLAGE OF PALM BEACH, CONDOMINIUM ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENT
 FOR THE YEAR ENDED OCTOBER 31, 2022

flood, crime, directors & officers, liability and an umbrella policy. The policies have various deductibles, some of which are considerable (e.g. Wind). In the event of a disaster, the Association could be exposed to losses for damages in excess of insurance coverage limits, as well as the stated deductibles. Management considers the risk of loss to be remote and its insurance coverage adequate. Information on any of these policies is available from the management office, or you may request a Certificate of Insurance from the Association's insurance agent.

NOTE G – LONG TERM CONTRACTS

In September 2019, the Board of Directors signed a 5-year contract with Packard Technologies for the equipment required for the Dish TV television services to the Association.

NOTE H – BAD DEBT

Associations are now facing an increased risk of bad debt write-offs due to the foreclosure market. Florida statutes currently state that in the event of a bank foreclosure, the bank is required to pay the Association the equivalent of twelve months regular maintenance or 1% of the original mortgage note, whichever is less. The remaining balance must be written off and absorbed by the Association. Bad debt provisions may not be sufficient to cover these losses.

The Association currently is including an estimate of bad debt in the operating budget to cover these potential losses. As of October 31, 2022, there is a provision in the amount of \$4,080.

In the event of a significant shortfall, the Association has the right, subject to member approval, to increase regular assessments, levy special assessments, or add the shortfall to the following year's budget.

NOTE I – EXPENSES

Utilities:	
Electricity	\$ 53,412
Water & Sewer	209,295
Garbage & Recycling	81,178
Propane	110
Cable TV	104,803
Telephone	6,995
WiFi	3,827
Total:	459,619

SEE ACCOUNTANTS' REPORT

WATERSIDE VILLAGE OF PALM BEACH, CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED OCTOBER 31, 2022

NOTE J – INVESTMENTS

At year end, the Association’s investments consist of the following:

Certificates of Deposit:

<u>Financial Institution</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Yearend Value</u>
Beal Bank #2632	3.10%	6/18/2025	100,000
State Bank of India	3.40%	8/1/2025	100,000
Pacific Premier	2.75%	3/2/2023	<u>150,000</u>
Total			\$350,000

Annuities:

<u>Financial Institution</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Yearend Value</u>
Delaware Life Ins #7020		11/29/2026	160,000
Iberia United Life #1304	2.80%	7/30/2025	250,000
Iberia USA Life #1810	2.40%	11/24/2025	100,000
Athene Annuity #3929	1.50%	10/22/2024	100,000
Delaware Life Ins #9250		7/15/2024	100,000
Iberia Athene Annuity #9993	1.50%	1/6/2026	100,000
Athene Annuity #2832	1.70%	10/22/2024	<u>400,334</u>
Total			\$1,210,334

NOTE K: PROPERTY & EQUIPMENT

As of October 31, 2022, the Association’s fixed assets are comprised of the following:

Equipment	\$ 10,641
TV System	194,297
Maintenance Building	6,701
Condominium Unit	71,101
Miner Road Land	96,916
Land	<u>125,059</u>
Total	\$ 504,714
Less: Accum Depr	<u>(282,740)</u>
Fixed Assets: Net	<u>\$ 221,974</u>

Included in Equipment 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 further purchases of Property and Equipment, but rather to expense them in the year they occur, with the exception of Land Purchases.

SUPPLEMENTARY INFORMATION

WATERSIDE VILLAGE OF PALM BEACH, CONDOMINIUM ASSOCIATION, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS
 AND REPLACEMENTS (UNAUDITED)

The Association has not conducted an independent study to estimate the replacement costs and remaining useful lives of the components of common property. Instead, the Board of Directors conducts a review of the estimate of the remaining useful lives and the replacement costs of the components of common property each year as part of the budget preparation process. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of study. 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 information is based on the study and presents significant information about the components of common property (amounts are rounded to the nearest dollar).

Components	Estimated Life (years)	Estimated Remaining Useful Life (Years)	Estimated Replacement Costs	Component Fund Balance, 10/31/22	Required Minimum Funding
Roofs	30	12	1,300,000	602,729	58,106
Painting	4	1	12,450	54,879	-
Asphalt	12	8	870,000	380,128	61,234
Pools	40	9	142,724	91,724	5,667
Awning	4	1	83,500	83,572	(72)
Sprinklers	4	4	96,000	78,005	4,499
TV Infrastructure	6	5	117,000	92,073	4,985
Infrastructure	5	1	50,000	10,000	40,000
Working Capital		1	276,000	231,122	
Interest				15,872	
Total Reserves			2,947,674	1,640,105	174,418