

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.

FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.

FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Village at Abacoa Condominium Association, Inc.
Jupiter, Florida

Opinion

We have audited the accompanying financial statements of The Village at Abacoa Condominium Association, Inc. which comprise the balance sheet as of December 31, 2022, and the related statements of revenues, expenses, and changes in fund balances (deficit) 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 The Village at Abacoa Condominium Association, Inc. as of December 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 The Village at Abacoa 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 B 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.

To the Board of Directors
The Village at Abacoa Condominium Association, Inc.
Jupiter, Florida

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 The Village at Abacoa 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 The Village at Abacoa 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 The Village at Abacoa Condominium Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

To the Board of Directors
The Village at Abacoa Condominium Association, Inc.
Jupiter, Florida

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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of operating revenues and expenses - actual to budget, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information, except for that portion marked "unaudited," was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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 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.

Leonardo & Company

Leonardo & Company
Certified Public Accountants
Boca Raton, Florida
November 10, 2023

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.

BALANCE SHEET

December 31, 2022

	Operating Fund	Replacement Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 25,458	\$ 186,816	\$ 212,274
Certificate of Deposits	-	577,368	577,368
Member Assessments Receivable	44,373	-	44,373
Due from Oates Energy	22,018	-	22,018
Prepaid Insurance	276,033	-	276,033
Prepaid Expenses	65,293	-	65,293
Utility Deposits	15,884	-	15,884
Interfund Borrowings	(43,239)	43,239	-
Total Assets	<u>\$ 405,820</u>	<u>\$ 807,423</u>	<u>\$ 1,213,243</u>

LIABILITIES AND FUND BALANCES (DEFICIT)

LIABILITIES			
Accounts Payable and Accrued Expenses	\$ 76,074	\$ -	\$ 76,074
Prepaid Member Assessments	65,456	-	65,456
Insurance Loan Payable	276,007	-	276,007
Contract Liabilities (Assessments Received in Advance-Replacement Fund)	-	738,462	738,462
Total Liabilities	417,537	738,462	1,155,999
FUND BALANCES (DEFICIT)	(11,717)	68,961	57,244
Total Liabilities and Fund Balances (Deficit)	<u>\$ 405,820</u>	<u>\$ 807,423</u>	<u>\$ 1,213,243</u>

The accompanying notes are integral part of the financial statements.

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCES (DEFICIT)
For the Year Ended December 31, 2022

	Operating Fund	Replacement Fund	Total
REVENUES			
Member Assessments	\$ 2,050,958	\$ 149,757	\$ 2,200,715
Water and Sewer Reimbursement	261,767	-	261,767
Screening Fees	16,755	-	16,755
Late Fees	5,517	-	5,517
Key Income	3,220	-	3,220
Pet Fees	2,850	-	2,850
Interest Income	57	2,234	2,291
Other Income	3,499	-	3,499
	<u>2,353,943</u>	<u>151,991</u>	<u>2,505,934</u>
Total Revenues			
EXPENSES			
Administrative	96,934	175	97,109
Insurance	424,505	-	424,505
Contract Services	619,623	-	619,623
Repairs and Maintenance	395,901	-	395,901
Payroll and Related Expenses	1,069,648	-	1,069,648
Reserve Expenses	-	149,757	149,757
	<u>2,606,611</u>	<u>149,932</u>	<u>2,756,543</u>
Total Expenses			
Excess (Deficiency) of Revenues over Expenses	(252,668)	2,059	(250,609)
Fund Balances - Beginning of Year	356,327	66,902	423,229
Prior Period Adjustment	(115,376)	-	(115,376)
Fund Balances (Deficit) - End of Year	<u>\$ (11,717)</u>	<u>\$ 68,961</u>	<u>\$ 57,244</u>

The accompanying notes are integral part of the financial statements.

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

	Operating Fund	Replacement Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess (Deficiency) of Revenues over Expenses	\$ (252,668)	\$ 2,059	\$ (250,609)
Adjustments to Reconcile Excess (Deficiency) of Revenues over Expenses to Net Cash Provided by (Used in) Operating Activities:			
Prior Period Adjustment	(115,376)	-	(115,376)
(Increase) Decrease in Assets:			
Member Assessments Receivable, Net	(26,143)	-	(26,143)
Due from Oates Energy	(22,018)	-	(22,018)
Accounts Receivable - Other	56,863	-	56,863
Prepaid Insurance	(156,610)	-	(156,610)
Prepaid Expenses	47,097	-	47,097
Utility Deposits	(2,091)	-	(2,091)
Interfund Borrowings	126,931	(126,931)	-
Increase (Decrease) in Liabilities:			
Accounts Payable and Accrued Expenses	(90,505)	-	(90,505)
Prepaid Member Assessments	(19,345)	-	(19,345)
Due to Town Center	17,142	-	17,142
Deferred Insurance Proceeds	(18,812)	-	(18,812)
Contract Liabilities (Assessments Received in Advance - Replacement Fund)	-	370,931	370,931
Net Cash Provided by (Used in) Operating Activities	(455,535)	246,059	(209,476)
CASH FLOWS FROM INVESTING ACTIVITIES			
Certificates of Deposit	-	(577,368)	(577,368)
Net Cash (Used in) Financing Activities	-	(577,368)	(577,368)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Insurance Loan Payable, Net of Repayments	276,007	-	276,007
Net Cash Provided by Financing Activities	276,007	-	276,007
Net (Decrease) in Cash and Cash Equivalents	(179,528)	(331,309)	(510,837)
Cash and Cash Equivalents - Beginning of Year	204,986	518,125	723,111
Cash and Cash Equivalents - End of Year	\$ 25,458	\$ 186,816	\$ 212,274
SUPPLEMENTAL INFORMATION			
Income Taxes Paid	\$ -	\$ -	\$ -
Interest Paid	\$ -	\$ -	\$ -

The accompanying notes are integral part of the financial statements.

THE VILLAGE AT ABACO CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE A - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization – The Village at Abacoa Condominium Association, Inc. (the “Association”) is a statutory condominium association incorporated on December 8, 2004 as a not-for-profit corporation in the State of Florida, pursuant to Chapter 718 of the Florida Statutes. The Association was organized for the purpose of maintaining and preserving the common areas of the Association consisting of 453 unit owners located in Jupiter, Florida.
2. Basis of Accounting - The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.
3. Fund Accounting - The Association uses fund accounting which requires that funds such as the operating fund and the fund designated for future major repairs and replacements, be classified separately for accounting and reporting purposes. Disbursements from the operating fund are generally at the discretion of the Board of Directors and property manager. Disbursements from the replacement and special assessment fund may be made only for their designated purposes.
4. Use of Estimates in the Preparation of Financial Statement - 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.
5. Member Assessments - 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 that are satisfied at the 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 and special assessments are satisfied when these funds are expended for their designated purposes. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. No allowance for doubtful accounts is deemed necessary. The Association provides for doubtful accounts based on experience and analysis of individual accounts. 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, net, as of the beginning and end of the year are \$18,229 and \$44,373, respectively.
6. Interest Income - The Association’s policy is to allocate to the operating and replacement funds all interest earned on their respective cash accounts.
7. Income Taxes - The Association’s policy is to record interest expense or penalties related to income tax in operating expenses. For the year ended December 31, 2022, no interest or penalties were paid or accrued.

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE A - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Concentration of Credit Risk - Financial instruments which potentially subject the Association to concentrations of credit risk are primarily cash and cash equivalents and assessments receivable. The Association invests its excess cash and cash equivalents in both deposits and high-quality short-term liquid money market instruments with major financial institutions and the carrying value approximates market value. The Association has not experienced losses related to these investments. The Association believes it is not exposed to any significant credit risk on cash and cash equivalents and assessments receivable.
9. Recognition of Assets - Real property acquired by the Association is capitalized when it (a) is used to generate significant cash flows from members on the basis of usage or from nonmembers or (b) can be disposed of for cash with the Association retaining the proceeds. Real property acquired by the Association that does not meet these guidelines is not capitalized, and accordingly, replacements, major repairs, and improvements to this property are not capitalized; instead, they are reported as expenses in the fund making the expenditure. Expenditures for maintenance and repairs are charged against operations as incurred.
10. Cash and Cash Equivalents - For purposes of the December 31, 2022 balance sheet and statement of cash flows for the year ended December 31, 2022, the Association considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.
11. 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 December 31, 2022, there were no items that qualify as comprehensive income.
12. Prepaid Assessments - Assessments received in advance for the subsequent year are recognized as prepaid assessments on the accompanying balance sheet.
13. Fair Value of Financial Instruments - The carrying amounts of cash, receivables, and payables approximate their fair values due to their short-term maturities.
14. 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. The balances of contract liabilities (assessments received in advance - replacement fund) as of the beginning and end of the year are \$367,531 and \$738,462, respectively.
15. New Accounting Pronouncement Adopted - During 2022, the Association adopted Accounting Standards Update (ASU) 2019-01, Leases (Topic 842). This ASU changes the accounting treatment for operating leases by recognizing a lease (right of use) asset and a corresponding liability at the present value of the lease payments on the balance sheet, and disclosing key information about leasing arrangements. This ASU can be applied at the beginning of the earliest period presented, using a modified retrospective approach. The Association has determined that there are no leases that meet the criteria for this standard.

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE B - REPLACEMENT FUND

The Association's governing documents and Florida statutes require funds to be accumulated for future major repairs and replacements. Accumulated funds, which aggregate to \$807,423, are presented on the accompanying December 31, 2022 balance sheet as contract liabilities and replacement fund total balance. These "Assessments Received in Advance - Replacement Fund" and Replacement Fund total balance are held in separate accounts and are generally not available for operating purposes.

The Board of Directors had an independent reserve study conducted by professional engineers in April 2018 to estimate the replacement costs and the remaining useful lives of the components of the common property. The Association is funding for such major repairs and replacements over the estimated useful lives of the components based on the estimates of current replacement costs, including amounts previously accumulated in the replacement fund. The table included in the unaudited supplementary information on future major repairs and replacements is based on this study.

Actual expenditures, however, 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, 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. Reserve funding of \$520,688 and \$527,888 has been included in the 2022 and 2023 budgets, respectively.

When replacement funds are needed to meet future needs for major repairs and replacements, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available. The effect on future assessments has not been determined at this time.

The activity in the replacement fund was as follows:

Components	Beginning Balance	Reserve Assessments	Interest Income	Reserve Expenses	Ending Balance
Pooled Reserves	\$ 367,531	\$ 520,688	\$ -	\$ (149,757)	\$ 738,462
Fund Balance - Interest Income	66,902	-	2,234	(175)	68,961
Totals	<u>\$ 434,433</u>	<u>\$ 520,688</u>	<u>\$ 2,234</u>	<u>\$ (149,932)</u>	<u>\$ 807,423</u>

Pooled Reserve expenses consist of the following:

Awning	\$ 950
Dumpster Project	14,034
Elevator Repairs	68,937
Engineering Project	17,531
Fob and Keri System	9,045
Pool Heater	4,860
Sprinklers	34,400
Other	175
	<u>\$ 149,932</u>

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE C - COMMITMENTS

The Association has entered into various contracts services to maintain the common property and to administer the Association. These contracts have different expiration dates and renewal terms.

NOTE D - WINDSTORM INSURANCE

The Association maintains insurance coverage for damage sustained by the common property. The insurance coverage in force includes deductible amounts which the Association would be required to fund. In addition, inasmuch as certain other expenses may be incurred by the Association in the event of a hurricane, the ultimate extent of any such a loss in excess of the aforementioned maximum deductible cannot be determined.

NOTE E - INCOME TAXES

In 2022, the Association has elected to file as a homeowners' association and file an 1120H in accordance with Internal Revenue Service Code section 528. Under this section, the Association excludes from taxation exempt function income, which generally consists of revenue from assessments to owners. The Association's investment income and other nonexempt income are subject to tax at a rate of 30%, net of any applicable expenses.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Association and recognize a tax liability if the Association has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Association and has concluded that as of December 31, 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Association is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Association's management believes it is no longer subject to income tax examinations for years prior to 2020.

NOTE F - CONTINGENCIES

The Association is from time-to-time subject to complaints and claims, including litigation, arising in the ordinary course of business. Management believes that none of the claims and complaints of which it is currently aware will materially affect its financial position or future operating results with the exception to increase in legal costs which may or may not be covered by the Association's director and officers' insurance, although no assurance can be given with respect to the ultimate outcome of any such claims or with respect to the occurrence of any future claims.

Florida's Senate Bill SB 4-D was effective May 26, 2022 AND Bill SB 154 was approved June 9, 2023, making it mandatory for all Florida condominium and cooperative buildings three stories or higher to undergo milestone inspections, structural inspections, to no longer allow for the waiver or reduction in the funding of reserves as well as submit specific building reporting information to the Division of Florida Condominiums. The full impact of the reserve funding requirement (which is effective December 31, 2024) in the new law is, as of the date of the audit report, undeterminable at this time.

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE G - PRIOR PERIOD ADJUSTMENT

Prior period adjustments are transactions and corrections relating to prior accounting periods, and are made in order to reflect the current year without distortion. There were several prior period adjustments to the operating fund balance primarily due to the overstatement of the prior year's prepaid expenses. The net adjustment decreased the operating fund balance by \$115,376. There was no effect on the current year's loss.

NOTE H - INTERFUND BALANCES

As of December 31, 2022, the accompanying balance sheet reflects an amount due to the replacement fund from the operating fund in the amount of \$43,239. Such interfund balances generally arise when (a) disbursements from one fund are charged to another fund; or (b) When deposits are made into one fund but recognized in another.

NOTE I - WATER REIMBURSEMENT INCOME

On June 4, 2009, the Association entered into an agreement with Oates Energy, Inc. (the "Oates") to operate the water and sewer reading, billing and collecting service. Oates is responsible for billing and collecting on a monthly basis the water and sewer usage for each resident using the existing sub meters. During 2022, the Association received \$261,767 from Oates, and has a receivable of \$22,018 from Oates at the end of the year.

NOTE J - DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through November 10, 2023, the date that the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF OPERATING REVENUES AND EXPENSES
ACTUAL TO BUDGET
For the Year Ended December 31, 2022

	Actual	Budget (Unaudited)	Variance Favorable (Unfavorable)
REVENUES			
Member Assessments	\$ 2,050,958	\$ 2,053,535	\$ (2,577)
Less: Bad Debt Expense	-	(6,000)	6,000
Water and Sewer Reimbursement	261,767	258,732	3,035
Prior Years' Budget Surplus	-	150,000	(150,000)
Screening Fees	16,755	15,000	1,755
Late Fees	5,517	9,600	(4,083)
Key Income	3,220	4,620	(1,400)
Pet Fees	2,850	4,800	(1,950)
Interest Income	57	-	57
Storage Income	9,320	8,400	920
Other Income	3,499	5,400	(1,901)
Total Revenues	2,353,943	2,504,087	(150,144)
EXPENSES			
ADMINISTRATIVE			
Office Equipment	135	1,200	1,065
Postage	8,418	9,540	1,122
Office Supplies and Expenses	6,526	12,000	5,474
Audit Fee	4,800	5,040	240
Legal Fees	10,287	12,000	1,713
Licenses, Fees and Permits	475	600	125
Elevator License and Inspection	2,300	2,028	(272)
Fees to Division	1,652	1,652	-
Management Services Contract	62,341	59,712	(2,629)
Total Administrative	96,934	103,772	6,838
INSURANCE			
Insurance	423,855	412,690	(11,165)
Insurance Appraisal	650	720	70
Total Insurance	424,505	413,410	(11,095)

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF OPERATING REVENUES AND EXPENSES
BUDGET TO ACTUAL
For the Year Ended December 31, 2022

	Actual	Budget (Unaudited)	Variance Favorable (Unfavorable)
CONTRACT SERVICES			
Management Personnel	369,247	406,921	37,674
Groundskeeper	18,937	22,638	3,701
Janitorial Personnel	32,845	38,166	5,321
Lawn Maintenance	100,711	102,349	1,638
Landscape Replacement	884	6,000	5,116
Tree Maintenance	6,448	18,744	12,296
Elevator Maintenance	17,698	15,120	(2,578)
Air Conditioning Maintenance	10,239	12,804	2,565
Pest Control	12,391	12,384	(7)
Fire Alarm Maintenance	43,446	26,750	(16,696)
Pool Maintenance	6,777	4,500	(2,277)
Total Contract Services	619,623	666,376	46,753
REPAIRS and MAINTENANCE			
General	111,516	91,080	(20,436)
Town Center Phase 1	183,843	183,147	(696)
Roofs	9,195	7,200	(1,995)
Elevator	4,882	4,800	(82)
Plumbing	9,112	6,000	(3,112)
Air Conditioning	802	1,200	398
Golf Cart	1,447	600	(847)
Security	2,823	1,800	(1,023)
Fire Alarm	69,233	24,000	(45,233)
Pool	3,048	4,800	1,752
Total Repairs and Maintenance	395,901	324,627	(71,274)
UTILITIES			
Electricity	88,864	73,620	(15,244)
Water and Sewer	427,808	415,956	(11,852)
Cable	301,356	327,946	26,590
Trash Removal	235,902	168,000	(67,902)
Telephone - Entry	-	1,200	1,200
Gate / Phone / Windstream	9,791	1,500	(8,291)
Gas	5,927	7,680	1,753
Total Utilities	1,069,648	995,902	(73,746)
Total Expenses	2,606,611	2,504,087	(102,524)
(Deficiency) of Revenues over Expenses	\$ (252,668)	\$ -	\$ (252,668)

THE VILLAGE AT ABACOA CONDOMINIUM ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
For the Year Ended December 31, 2022

The Board of Directors had an independent reserve study conducted by professional engineers in August 2018 to estimate the replacement costs and the remaining useful lives of the components of the common property.

The following table is based on this study and presents the significant information about the components of the common property.

Components	Estimated Useful Lives (Years)	Estimated Remaining Useful Lives (Years)	Estimated Replacement Costs	Contract Liabilities and Replacement Fund Balances 12/31/22	2023 Required Reserve Funding	2023 Adopted Reserve Funding
Roofs	20 - 30	0 - 14	\$ 3,322,497			
Painting and Waterproofing	7 - 20	0 - 4	830,304			
Paving	4 - 30	0 - 9	697,012			
Elevators	15 - 30	0 - 9	510,000			
Mechanical and Electrical	9 - 40	0 - 19	1,233,866			
Miscellaneous Building Components	8 - 36	0 - 15	1,611,700			
Miscellaneous Site Improvements	8 - 40	0 - 19	1,109,204			
Furniture, Fixtures and Equipment	6 - 18	0 - 12	86,117			
Garage	4 - 30	0 - 9	471,216			
TC Hallway Painting	8	4	47,138			
TC Hallway Carpeting	8	4	89,420			
Rooftop HVAC Units	12	0 - 8	140,037			
Pooled Reserves				\$ 738,462	\$ 527,888	\$ 527,888
Fund Balance - Interest Income				68,961		
Total			\$ 10,148,511	\$ 807,423	\$ 527,888	\$ 527,888