

RIVERWALK HOMEOWNERS ASSOCIATION, INC.

FINANCIAL STATEMENTS

December 31, 2023

RIVERWALK HOMEOWNERS ASSOCIATION, INC.

FINANCIAL STATEMENTS

Year Ended December 31, 2023

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Certified Public Accountants
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Gary Hacker, CPA
Albert E. Romano, Jr., CPA

INDEPENDENT AUDITORS' REPORT

Board of Directors and Members of
Riverwalk Homeowners Association, Inc.
Jupiter, Florida

Dear Board of Directors and Members:

Opinion

We have audited the accompanying financial statements of Riverwalk Homeowners Association, Inc., which comprise the balance sheet as of December 31, 2023, 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 of Riverwalk Homeowners Association, Inc., as of December 31, 2023, 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 Riverwalk Homeowners Association, Inc. and to meet our other ethical responsibilities in accordance with the 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 the 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 Riverwalk Homeowners 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.

-1-

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INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Riverwalk Homeowners 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 judgement, there are conditions or events considered in the aggregate, that raise substantial doubt about Riverwalk Homeowners 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.

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, 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.



HACKER & ROMANO

Hollywood, Florida
June 30, 2024

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
BALANCE SHEET
December 31, 2023

	<u>OPERATING</u> <u>FUND</u>	<u>REPLACEMENT</u> <u>FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 187,625	\$ 10,721	\$ 198,346
United States Treasury Bill	-	802,767	802,767
Assessments Receivable (Less: allowance for doubtful accounts of \$48,480)	37,507	-	37,507
Legal Fee Recovery Receivable	78,506	-	78,506
Prepaid Insurance	14,237	-	14,237
Due From Operating Fund	-	155,271	155,271
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 317,875	\$ 968,759	\$ 1,286,634
	<hr/>	<hr/>	<hr/>
<u>LIABILITIES</u>			
Accounts Payable & Accrued Expenses	\$ 32,624	\$ -	\$ 32,624
Prepaid Assessments	20,962	-	20,962
Security Deposits	15,165	-	15,165
Insurance Payable	2,412	-	2,412
Contract Liabilities (Assessments received in advance-Replacement Fund)	-	922,044	922,044
Due To Replacement Fund	155,271	-	155,271
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	\$ 226,434	\$ 922,044	\$ 1,148,478
<u>FUND BALANCES</u>			
Fund Balance	\$ 91,441	\$ 46,715	\$ 138,156
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCE	\$ 317,875	\$ 968,759	\$ 1,286,634
	<hr/>	<hr/>	<hr/>

See Accountants Audit Report and Accompanying Notes to the Financial Statements

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
Year Ended December 31, 2023

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
<u>REVENUES</u>			
Maintenance Fees	\$ 662,289	\$ 296,929	\$ 959,218
Boatyard Income	-	6,720	6,720
Late Fees & Other Income	26,488	-	26,488
Application Fees and Estoppel Income	15,950	-	15,950
Interest Income	190	25,586	25,776
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	\$ 704,917	\$ 329,235	\$ 1,034,152
	<hr/>	<hr/>	<hr/>
<u>EXPENSES</u>			
Administrative	\$ 322,772	\$ -	\$ 322,772
Operations	227,663	327,501	555,164
Utilities	63,041	-	63,041
	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	\$ 613,476	\$ 327,501	\$ 940,977
	<hr/>	<hr/>	<hr/>
EXCESS REVENUES/(EXPENSES)	\$ 91,441	\$ 1,734	\$ 93,175
	<hr/>	<hr/>	<hr/>
FUND BALANCE 12/31/22	-	44,981	44,981
	<hr/>	<hr/>	<hr/>
FUND BALANCE 12/31/23	\$ 91,441	\$ 46,715	\$ 138,156
	<hr/>	<hr/>	<hr/>

See Accountants Audit Report and Accompanying Notes to the Financial Statements

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
Year Ended December 31, 2023

	<u>OPERATING</u> <u>FUND</u>	<u>REPLACEMENT</u> <u>FUND</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Sources of Cash			
Maintenance Fees	\$ 653,307	\$ 303,311	\$ 956,618
Boatyard Income	-	6,720	6,720
Late Fees & Other Income	26,488	-	26,488
Application Fees and Estoppel Income	15,950	-	15,950
Interest Income	190	25,586	25,776
	<hr/>	<hr/>	<hr/>
Total Sources of Cash	\$ 695,935	\$ 335,617	\$ 1,031,552
Uses of Cash			
Expenses Paid	607,580	428,179	1,035,759
	<hr/>	<hr/>	<hr/>
Net Cash Provided By Operating Activities	\$ 88,355	\$ (92,562)	\$ (4,207)
	<hr/>	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment in United States Treasury Bill	-	(781,646)	(781,646)
Interest Reinvested	-	(21,121)	(21,121)
	<hr/>	<hr/>	<hr/>
Net Cash Used In Investing Activities	\$ -	\$ (802,767)	\$ (802,767)
	<hr/>	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Interfund Transfers	99,270	(99,270)	-
	<hr/>	<hr/>	<hr/>
Net Cash Provided By (Used In) Financing Activities	99,270	(99,270)	-
	<hr/>	<hr/>	<hr/>
Total Increase (Decrease) in Cash and Cash Equivalents	\$ 187,625	\$ (994,599)	\$ (806,974)
Cash and Cash Equivalents - December 31, 2022	-	1,005,320	1,005,320
	<hr/>	<hr/>	<hr/>
Cash and Cash Equivalents - December 31, 2023	\$ 187,625	\$ 10,721	\$ 198,346
	<hr/>	<hr/>	<hr/>
SUPPLEMENTAL DISCLOSURES			
Income Taxes Paid	\$ -	\$ -	\$ -
Interest Paid	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>

See Accountants Audit Report and Accompanying Notes to the Financial Statements

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
Year Ended December 31, 2023

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Excess Revenues/(Expenses)	\$ 91,441	\$ 1,734	\$ 93,175
Reconciliation of Excess Revenues/(Expenses) To Cash From Net Operating Activities:			
(Increase) Decrease In Assets:			
Assessments Receivable	4,464	-	4,464
Prepaid Insurance	(1,294)	-	(1,294)
Increase (Decrease) In Liabilities:			
Accounts Payable & Accrued Expenses	7,707	(100,678)	(92,971)
Prepaid Assessments	(13,446)	-	(13,446)
Security Deposits	200	-	200
Insurance Payable	(717)	-	(717)
Contract Liabilities (Assessments received in advance-Replacement Fund)	-	6,382	6,382
Net Cash Provided By Operating Activities	<u>\$ 88,355</u>	<u>\$ (92,562)</u>	<u>\$ (4,207)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment in United States Treasury Bill	-	(781,646)	(781,646)
Interest Reinvested	-	(21,121)	(21,121)
Net Cash Used In Investing Activities	<u>\$ -</u>	<u>\$ (802,767)</u>	<u>\$ (802,767)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Interfund Transfers	<u>99,270</u>	<u>(99,270)</u>	<u>-</u>
Net Cash Provided By (Used In) Financing Activities	<u>99,270</u>	<u>(99,270)</u>	<u>\$ -</u>
Total Increase (Decrease) in Cash and Cash Equivalents	\$ 187,625	\$ (994,599)	\$ (806,974)
Cash and Cash Equivalents - December 31, 2022	\$ -	\$ 1,005,320	\$ 1,005,320
Cash and Cash Equivalents - December 31, 2023	<u>\$ 187,625</u>	<u>\$ 10,721</u>	<u>\$ 198,346</u>
SUPPLEMENTAL DISCLOSURES			
Income Taxes Paid	\$ -	\$ -	\$ -
Interest Paid	\$ -	\$ -	\$ -

See Accountants Audit Report and Accompanying Notes to the Financial Statements

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

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

This summary of significant accounting policies of Riverwalk Homeowners Association, Inc. is presented to assist in the understanding of the financial statements. The financial statements and notes are the representations of management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been applied on a consistent basis.

1. Organization – Riverwalks Homeowners Association, Inc. (“The Association”) is a three hundred forty (340) residential unit homeowners association incorporated as a not-for-profit corporation in the State of Florida in December 1984. The Association, located in Jupiter, Florida, is responsible for the operation and maintenance of the common areas of Riverwalk Homeowners Association, Inc.

2. Date of Management’s Review – In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through June 30, 2024, the date that the financial statements were available to be issued.

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 for the general operations of the Association. Disbursements from the Replacement Fund generally may be made only for designated purposes.

Operating Fund – This fund is used to account for financial resources available for the regular, recurring costs of operations. Disbursements from this fund are generally at the discretion of the Board of Directors.

Replacement Fund – This fund is used to accumulate financial resources designated for future repairs and replacements. Disbursements from this fund may be made only for their designated purposes.

4. Member Assessments and Allowance for Credit Losses - Association members are subject to quarterly assessments to provide funds for the Association’s operating expenses and major repairs and replacements based on the annual adopted budget. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. Quarterly assessments to owners were \$710 in 2023. Of this amount, \$223 was designated to the Replacement Fund. The Association’s performance obligations related to its operating assessments are 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 delinquent. Any excess assessments at year end are retained by the Association for use in the succeeding year. The net balances of assessments receivable as of the beginning and end of the year are \$41,971 and \$37,507, respectively. The Association treats uncollectible assessments as credit losses. Methods, inputs, and assumptions used to evaluate when assessments are considered uncollectible include closely monitoring of outstanding assessment balances by management, member payment history of outstanding assessment balances, and susceptibility to factors outside the Association’s control

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2023

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

5. Use of Estimates in the Preparation of Financial Statements - 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.
6. Recognition of assets and depreciation policy - Common areas owned by the Association are reserved for the use of the owners and are required to be maintained as common areas under the Declaration and therefore, the sale of such common areas for revenue is remote. Accordingly, such common areas are not recorded in the financial records of the Association. The Association will capitalize, at cost, personal property which it acquires with Association funds.
7. Concentration of Credit Risk - Financial instruments which potentially subject the Association to concentrations of credit risks are primarily cash and assessments receivable. The Association invests its excess cash in an interest-bearing ICS sweep account with a major financial institution. Accounts at the institution are insured by the FDIC up to \$250,000. As of December 31, 2023, the Association had no uninsured balances. The Association has established an allowance for the possibility of uncollectible assessments receivable in the amount of \$48,480.
8. Interest Income - Interest Income - The Board of Directors' policy is to allocate to the operating and replacement funds all interest earned on their respective cash accounts.
9. Income Taxes - The Association may be taxed either as a homeowners' association or as a regular corporation. This election is made annually taking into account the best interest of the Association. For the year ended December 31, 2023, the Association elected to file as a homeowners' association in accordance with Internal Revenue Service Code section 528. Under that 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. Income tax expense for the year 2023 was \$0. Under federal and state income tax laws, an entity's income tax returns are subject to examination by the applicable taxing authorities. The time period during which a return may be selected by a taxing authority for examination generally ends at the later of three years after the initial due date of the return or three years after the return is filed. At December 31, 2023, the Association's tax years that remain subject to examination are 2020-2022.
10. Cash and Cash Equivalents - For presentation purposes, the Association consolidates checking and money market accounts.
11. Fair Value Measurement - The Association has determined that there was no material difference between the carrying value and fair value of its financial assets and liabilities at December 31, 2023, because of their short-term maturities; therefore, no adjustment for the effect if FASB ASC 820 was made to the Association's financial statements at December 31, 2023.

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2023

12. 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 the replacement reserve assessments. The balances of contract liabilities (assessments received in advance – replacement fund) as of the beginning and end of the year are \$915,662 and \$922,044, respectively.

NOTE B – REPLACEMENT FUND

The Association's governing documents and Florida statutes do not require that funds be accumulated for major repairs and replacements, except for the boat storage area. The Association membership has not adopted statutory reserves as defined under Florida Statute 720.303(6) of the Homeowners Association Act. As a result, any calculation or funding of reserves by the Association is recommended, but optional. The Board of Directors estimated the useful lives and the replacement costs of the components of common property. The table included in the unaudited supplementary information on Future Major Repairs and Replacements is based on these estimates.

THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

The Association is funding for major repairs and replacements over the remaining useful lives of the components based on the estimates of current replacement costs and considering amounts previously accumulated in the replacement fund. The Association funded \$303,311 as part of the approved 2023 budget. Funds are being accumulated in the replacement fund based on estimates of future needs for repairs and replacements of common property components. Actual expenditures may vary from 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.

The activity in the Replacement Fund was as follows:

Component	Fund Balance 1/1/2023	Contract Liabilities Balance 1/1/2023	Budgeted Assessments/ Fees	Interest	Expenses	Contract Liabilities Balance 12/31/2023	Fund Balance 12/31/2023
Painting					\$ 265,695		
Playground Equipment					49,781		
Misc Repairs					7,039		
		\$ 915,662	\$ 303,311	\$ 25,586	\$ 322,515	\$ 922,044	
	\$ 44,981		6,720		4,986		\$ 46,715

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2023

NOTE C – UNITED STATES TREASURY BILLS

At December 31, 2023, the Association held one zero coupon United States Treasury Bill, in the amount of \$802,767 in the Replacement Fund. The bond matures in January 2024.

NOTE D – UNCERTAINTY IN INCOME TAXES

The objectives of accounting for income taxes are to recognize the amount of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequences of events that have been recognized in an entity's financial statements or tax returns. The Association evaluates its uncertain tax positions using the provisions of ASC 450, *Accounting for Contingencies*. Accordingly, a loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position, or for all uncertain tax positions in the aggregate, could differ from the amount recognized. For the year ended December 31, 2023, there were no transactions that would cause an uncertainty in the accounting for an income tax liability or refund.

NOTE E – PAINTING CONTRACT

In March 2023 the Association signed a contract with RCI Painting & Waterproofing to Paint twenty-two (22) two story buildings (151 units) for \$209,875 for the general scope of project. During 2023, the association paid \$265,695.

NOTE F – LITIGATION

The Association, from time to time, is involved in various lawsuits where the Association is the defendant. The Association is generally defended by the Association's insurance carrier. At December 31, 2023, for the cases involving the Mirador Master Association where the Association is the plaintiff, the Association is unable to predict the range of costs that may be incurred and ultimately that the Association may be exposed to if it were not to prevail in the pending litigation.

NOTE G – SUBSEQUENT EVENT

In March of 2024 the Association signed a contract with Brilliant Roofing to replace the Roofs on 25 buildings for a base cost of \$39,936 plus permit fees and any Unit / Alternate Pricing.

In May 2024 the Association signed a contract with Brothers Gutters of Jupiter/West Palm Beach, FL to install gutters and downspouts (229) for \$94,660 for the general scope of project.

SUPPLEMENTAL INFORMATION

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
SCHEDULE OF EXPENSES
Year Ended December 31, 2023

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
<u>ADMINISTRATIVE</u>			
Insurance	\$ 33,171	\$ -	\$ 33,171
Management Fees	219,788	-	219,788
Licenses, Taxes and Permits	993	-	993
Office Expense	16,175	-	16,175
Professional Fees	52,645	-	52,645
TOTAL ADMINISTRATIVE	\$ 322,772	\$ -	322,772
<u>OPERATIONS</u>			
Boat Yard Repairs	\$ -	\$ 4,986	\$ 4,986
Concrete Repairs	2,456	-	2,456
General Repairs and Maintenance	36,174	7,039	43,213
Gutter Cleaning	7,840	-	7,840
Irrigation Maintenance	11,448	-	11,448
Lake Maintenance	1,661	-	1,661
Landscaping Service	109,569	-	109,569
Mangrove Trimming	2,426	-	2,426
Painting	-	265,695	265,695
Playground Equipment	-	49,781	49,781
Pool Repairs	30,083	-	30,083
Security	2,006	-	2,006
Tree Trimming and Removal	24,000	-	24,000
TOTAL OPERATIONS	\$ 227,663	\$ 327,501	555,164
<u>UTILITIES</u>			
Electricity	\$ 44,199	\$ -	\$ 44,199
Telephone and Internet Service	11,672	-	11,672
Trash Removal	2,320	-	2,320
Water and Sewer	4,850	-	4,850
TOTAL UTILITIES	\$ 63,041	\$ -	\$ 63,041

See Accountants Audit Report and Accompanying Notes to the Financial Statements

RIVERWALK HOMEOWNERS ASSOCIATION, INC.
SUPPLEMENTAL INFORMATION ON FUTURE
MAJOR REPAIRS AND REPLACEMENTS

December 31, 2023

(Unaudited)

The Association's governing documents and Florida Statutes do not require that funds be accumulated for major repairs and replacements. Although not required, the Association has estimated reserves to properly present its financial position. The Board of Directors estimated the useful lives and the replacement cost of the components of common property elements. The following table is based on those estimates and presents significant information about the components of common property:

<u>Component</u>	<u>Estimated Useful Life (Yrs)</u>	<u>Estimated Costs</u>	<u>Approved Funding 2024</u>
Boat Yard, Ramp and Dock	34	\$ 50,000	
Golf Cart #1	6	5,000	
Golf Cart #2	6	5,000	
Golf Cart #3	6	5,000	
Painting	7	633,000	
Playground	19	70,000	
Pool Deck	24	50,000	
Pool Surface	19	50,000	
Roof	19	2,009,000	
Storm Water Drains	34	75,000	
Street	24	200,000	
Tennis Court	9	15,000	
Truck	3	5,000	
		<u>\$ 3,172,000</u>	<u>\$ 479,200</u>

See Accountants Audit Report and Accompanying Notes to the Financial Statements