

**LELY RESORT MASTER PROPERTY
OWNERS' ASSOCIATION, INC.
NAPLES, FLORIDA
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
December 31, 2024**

SPIRES

ATTESTATION SERVICES, P.A.

CERTIFIED PUBLIC ACCOUNTANT

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TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1-2
BALANCE SHEET	3
STATEMENT OF REVENUE AND EXPENSES.....	4
STATEMENT OF CHANGES IN FUND BALANCES.....	5
STATEMENT OF CASH FLOWS.....	6-7
NOTES TO FINANCIAL STATEMENTS.....	8-12
<u>SUPPLEMENTARY INFORMATION:</u>	13
STATEMENT OF REVENUES AND EXPENSES - BUDGET TO ACTUAL.....	14



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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Lely Resort Master Property Owners' Association, Inc.
Naples, Florida

Opinion

We have audited the accompanying financial statements of Lely Resort Master Property Owners' Association, Inc., which comprise the balance sheets as of December 31, 2024, and the related statements of revenues, expenses, changes in fund balances, cash flows, the related notes to the financial statements and supplemental information for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lely Resort Master Property Owners' Association, Inc. as of December 31, 2024, and the results of their operations and 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 Lely Resort Master Property Owners' 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 these 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 Lely Resort Master Property Owners' 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 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 misstatements 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 Lely Resort Master Property Owners' 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 Lely Resort Master Property Owners' 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.

Report on Supplementary Information

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Operating Revenues and Expenses Budget to Actual on page 14, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Other Matter

Management has omitted information about the estimates of future cost of major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.



Spires Attestation Services, P.A.
Fort Myers, Florida
June 20, 2025

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2024

	FUNDS		
	Operating	Capital	Total
ASSETS			
Cash and Cash Equivalents	\$ 335,536	\$ 447,747	\$ 783,283
Certificates of Deposit	481,672	150,940	632,612
Accounts Receivable net of Allowance	2,764	-	2,764
CSA Fees Receivable	24,778	-	24,778
Miscellaneous Receivable	500	-	500
Fix Assets, net of Accumulated Depreciation	3,820	-	3,820
Prepaid Expenses	7,755	-	7,755
Accrued Interest	-	10,690	10,690
Utility Deposit	50	-	50
Total Assets	<u>\$ 856,875</u>	<u>\$ 609,377</u>	<u>\$ 1,466,252</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accrued Expenses	\$ 5,776	\$ -	\$ 5,776
Accounts Payable	11,372	-	11,372
Income Taxes Payable	1,564	-	1,564
Due to Developer	57,391	-	57,391
Prepaid Member Fees	55,318	-	55,318
Deferred Capital Funds	-	547,183	547,183
Total Liabilities	<u>131,421</u>	<u>547,183</u>	<u>678,604</u>
FUND BALANCES	<u>725,454</u>	<u>62,194</u>	<u>787,648</u>
Total Liabilities and Fund Balances	<u>\$ 856,875</u>	<u>\$ 609,377</u>	<u>\$ 1,466,252</u>

See accompanying notes and independent accountant's audit report.

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
STATEMENT OF REVENUES AND EXPENSES
FOR THE PERIOD ENDED DECEMBER 31, 2024

	FUNDS		
	Operating	Capital	Total
<u>REVENUES</u>			
Assessment Income	\$ 524,912	\$ -	\$ 524,912
Comprehensive Service Agreement	1,295,575	-	1,295,575
Late fees	5,740	-	5,740
Legal Fees Income	-	-	-
ARC Fee Income	-	-	-
Interest Income	305	-	305
Interest Income - Capital Contributions	-	38,036	38,036
Total Revenues	<u>1,826,532</u>	<u>38,036</u>	<u>1,864,568</u>
<u>EXPENSES</u>			
Comprehensive Service Agreement	1,295,575		1,295,575
Office Expenses	3,032	-	3,032
Accounting/Audit/Tax Fees	6,275	-	6,275
Division Filing Fees	61	-	61
Legal Fees	75,667	-	75,667
Management Fees	42,730	-	42,730
Insurance Expense	30,692	-	30,692
Depreciation Expense	441	-	441
Landscape Lighting Maintenance	165	-	165
Preserve Maintenance	50,680	-	50,680
Infrastructure Maintenance	16,970	-	16,970
Entry Feature Maintenance	6,910	-	6,910
Storm Drain System	226,406	-	226,406
Holiday Lighting	38,124	-	38,124
Electricity	776	-	776
Engineering Report	106,420	-	106,420
Federal income taxes	1564		
TOTAL EXPENSES	<u>1,902,488</u>	<u>-</u>	<u>1,900,924</u>
EXCESS EXPENSES OVER REVENUES	<u>(75,956)</u>	<u>38,036</u>	<u>(36,356)</u>

See accompanying notes and independent accountant's audit report.

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
CHANGES IN FUND BALANCE
FOR THE PERIOD ENDED DECEMBER 31, 2024

	FUNDS		
	Operating	Capital	Total
FUND BALANCES - December 31, 2023	\$ 311,387	\$ 24,158	\$ 335,545
Capital Contributions		-	-
Lawsuit Settlement	490,023	-	490,023
Total December 31, 2023	801,410	24,158	825,568
Excess of Revenues Over Expenses	(75,956)	38,036	(37,920)
FUND BALANCES - December 31, 2024	<u>\$ 725,454</u>	<u>\$ 62,194</u>	<u>\$ 787,648</u>

See accompanying notes and independent accountant's audit report.

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2024

	FUNDS		
	Operating	Capital	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Collected From:			
Assessments	\$ 526,581	\$ -	\$ 526,581
CSA	1,283,258	-	1,283,258
Late fees	754	-	754
ARC fees	-	-	-
Interest income	305	35,778	36,083
Capital contributions	-	102,500	102,500
Cash Paid to Suppliers	<u>(1,886,320)</u>	<u>-</u>	<u>(1,886,320)</u>
Net Cash Provided by Operating Activities	<u>(75,422)</u>	<u>138,278</u>	<u>62,856</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
CD Redeemed	481,624	123,877	605,501
CD Purchased	(481,672)	(150,940)	(632,612)
Net Cash Provided by Investing Activities	<u>(48)</u>	<u>(27,063)</u>	<u>(27,111)</u>
Net Increase in Cash	(75,470)	111,215	35,745
CASH - December 31, 2023	<u>411,006</u>	<u>336,532</u>	<u>747,538</u>
CASH - December 31, 2024	<u><u>\$ 335,536</u></u>	<u><u>\$ 447,747</u></u>	<u><u>\$ 783,283</u></u>

See accompanying notes and independent accountant's audit report.

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED DECEMBER 31, 2024

RECONCILIATION OF REVENUES OVER (UNDER) EXPENSES TO NET CASH
PROVIDED (USED) BY OPERATING ACTIVITIES

	FUNDS		
	Operating	Capital	Total
CASH PROVIDED (USED) BY <u>OPERATING ACTIVITIES:</u>			
Revenues Over (Under) Expenses	(75,956)	38,036	(37,920)
Adjustments:			
Depreciation	441		441
(Increase) Decrease in:			
Change in Accounts Receivable	(282)	-	(282)
Change in Prepaid Expenses	(327)	-	(327)
Change in Accrued Interest	-	(2,258)	(2,258)
Increase (Decrease) in:			
Change in Accrued Expenses	(1,762)	-	(1,762)
Change in Accounts Payable	11,267	-	11,267
Change in Prepaid Member Fees	(10,367)	-	(10,367)
Change in Income Tax Payable	1,564		1,564
Change in Deferred Liabilities - Capital	-	102,500	102,500
	<hr/>	<hr/>	<hr/>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (75,422)</u>	<u>\$ 138,278</u>	<u>\$ 62,856</u>

See accompanying notes and independent accountant's audit report.

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 – THE ASSOCIATION

Lely Resort Master Property Owners Association, Inc. (the Association) was incorporated March 8, 1990 as a Florida not-for-profit corporation for the purpose of maintaining and preserving the common property of Lely Resort a master association located in Collier County, Florida. The Association represents 5,278 residential units in 50 Neighborhood Associations. The owners of all units in the development are the only members.

NOTE 2 – DATE OF MANAGEMENT REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through June 19, 2025, the date that the financial statements were available to be issued.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Funds Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. The accounting policies that affect the more significant elements of the Association's financial statements are summarized below. These policies have been applied on a consistent basis.

The Association uses the fund method of accounting, on the accrual basis, which requires the funds, such as operating funds, capital contribution funds and replacement funds, be classified separately for accounting and reporting purposes.

Fund accounting is helpful in segregating funds having restrictions on their use. The operating fund is used to account for financial resources available for the general operations of the Association. Disbursements from the operating fund are generally at the discretion of the Board of Directors and Property Manager, for recurring costs of operation. The capital fund is used for unbudgeted expenditures that are capital in nature and benefits the community as a whole. The replacement fund is used to accumulate financial resources designated for future major repairs and replacements.

Accounts Receivable

Accounts receivable - owners at the balance sheet date represents fees due from the unit owners. The Association's policy is to retain legal counsel and place liens on the properties that are delinquent. As of December 31, 2024, the Association established an allowance for doubtful accounts of \$1,735 and a net Accounts Receivable balance of \$2,764.

The Association treats uncollectible assessments as credit losses. Method, inputs, and assumptions used to evaluate when assessments are considered uncollectible include consideration of past experience and susceptibility to factors outside of the Association's control.

Comprehensive Service Agreement

The Association has established a Comprehensive Service Agreement (CSA) with the Lely Resort Community Development District (the District) to provide irrigation, lake maintenance, street light repair and roving patrols for the specific areas of the Association that are not covered under the District's boundaries. The association assesses each applicable neighborhood a fixed amount based on an annual budget determined by the District.

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The billing cycle of the District ends September 30, and the association collects and remits these fees to the District. The Association adjusts, on a calendar year basis, the amounts necessary to fund the District's assessments. The Association's policy is to recognize revenue to the extent of expenses and defer amounts over/under billed and recognized when billed and due to the district.

Cash and Cash equivalent

For purposes of reporting cash flows, the Association considers all short-term highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Property and Equipment

The Association follows prevalent industry practice, as contained in the "Real Estate – Common Interest Realty Association Topic of the FASB ASC" in accounting for the common property of the Association. Real property that is not directly associated with the units is capitalized only if the Association has title or other evidence of ownership of the property, and either the Association can dispose of the property at the discretion of the Board of Directors or the property is used by the Association's to generate significant cash flows from members on the basis of usage or from nonmembers. As a result, commonly owned assets are not recorded on the Association's financial statements.

The Association's accounting policy is to capitalize the cost of personal property with a value of \$10,000 and an estimated useful life in excess of one year and to depreciate such property over the estimated remaining life of the asset using the straight-line method. In September of 2023 the Association capitalized Cement Bowls in the amount of \$4,407.50 and \$587.68 accumulated depreciation and \$440.76 depreciation for the year ended December 31, 2024.

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 end of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Standards

The FASB issued new guidance that created ASC Topic 606, "Revenue from Contracts with Customers". Topic 606 supersedes the revenue recognition requirements in FASB ASC 972-605, "Real Estate – Common interest Realty Associations, Revenue Recognition", and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an Association expects to be entitled in exchange for those goods or services.

To achieve the core principle of the new guidance, the Association applies the following steps: (i) identify the contract with the customer; (ii) determine whether the promised goods or services are separate performance obligations in the contract or a single performance obligation; (iii) determine the transaction price, including considering the constraint on variable consideration; (iv) allocate the transaction price to the performance obligations in the contract; (v) recognize revenue when (or as) the Association satisfies each of the performance obligation.

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Tax

The Association's policy is to record interest expense or penalties related to income tax in operating expenses. For the year ended December 31, 2024, no interest or penalties were paid or accrued.

Interest Income

The Association recognizes interest income on the operating fund and the capital fund when earned. The Association's policy is to accumulate capital interest income to be used at the Board's discretion toward any capital expenditure in the future.

NOTE 4 – CERTIFICATES OF DEPOSIT

As of December 31, 2024 the Association had three Certificates of Deposits (CDS) with First-Citizens Bank & Trust Company through their Certificate of Deposit Account Registry Service ("CDARS") program. These CDs are carried at face value with interest accrued. These are all twelve months CDs with balances, interest rates, maturity dates and accrued interest as follows:

<u>Maturity Dates</u>	<u>Interest Rates</u>	<u>Balance</u>	<u>Accrued Interest</u>
05/29/2025	4.75%	\$ 207,413.74	\$ 5,912.64
08/28/2025	4.75%	211,618.19	3,470.34
11/28/2025	4.15%	213,580.40	1,306.81
		<u>\$ 632,612.33</u>	<u>\$10,689.79</u>

NOTE 5 – MEMBER'S ASSESSMENTS

The Board of Directors determines the annual budget and member assessments. Members are charged quarterly for their proportionate share. The Neighborhood Associations bill and collect member assessments on behalf of the Association. The assessments are then periodically remitted to the Association. Quarterly assessments for 2024 were \$24.86 per unit for Operations.

NOTE 6 – INCOME TAXES

The Association is subject to federal and state income taxes. Annually, the Association may qualify and elect to be treated as a tax-exempt organization under Section 528 of the Internal Revenue Code. Under this election, revenue from maintenance fees, reserve and special assessments (exempt-function income) is not subject to state or federal income taxes. However, income that is not exempt-function is federally taxed at a 30% rate (after a \$100 exemption) and is exempt from Florida income tax. If the Association does not qualify and/or make this election, it is taxed as a regular corporation under the provisions of Internal Revenue Code Section 277. This section provides that the excess of income from members is used to offset next year expenses or returned to the member to avoid being taxed. The Association is taxed on all non-member income net of allocable expenses. The Association had federal income tax of \$1,564 for the year ended December 31, 2024, using the 1120H method of tax filing and no state income tax liability.

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 6 – INCOME TAXES (Continued)

The Association uses the standard Accounting for Uncertainty in Income Taxes. It is the Association's policy to evaluate all tax positions to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by "a-more-likely-than-not" threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the financial statements. No material uncertain tax positions were identified for 2023. Currently, the statute of limitations remains open for tax returns filed subsequent to and including 2020; however, no IRS or Florida Department of Revenue examinations are in process or anticipated.

NOTE 7 – TRUIST BANK LINE-OF-CREDIT

The Association established a \$500,000 line-of-credit (the "LOC") from Truist Bank on September 8, 2023 with a maturity date of September 8, 2026. As of December 31, 2024, the Association did not have an outstanding balance. Any outstanding balances will be subject to interest at 0.250 percentage points over the Lender's Prime Rate.

NOTE 8 – COMPREHENSIVE SERVICE AGREEMENT

The District billed the Association \$1,295,575 during the year ended December 31, 2024, consisting of amounts due under the Comprehensive Service Agreement. During the year ended December 31, 2024, the Association collected \$1,295,575 from members. Amounts deferred due to timing differences in the District's budget period and the Association's budgeted period totaled \$24,778 at December 31, 2024.

NOTE 9 – DEFERRED CAPITAL FUND CONTRIBUTIONS

Units are assessed a flat fee at the time of closing when title transfers to the new owner upon completion of the sale. These amounts are classified as capital contributions and are used for unbudgeted expenditures that are capital in nature and benefit the community as a whole. During the year ended December 31, 2024, the Association collected \$102,500 in capital contributions and had no expenditures attributable to nondevelopment capital improvements to the common areas.

The Association recognizes revenue from the capital contributions as the related performance obligations are satisfied. A contract liability (deferred capital fund assessment) at December 31, 2024 is \$547,183.

The table below summarizes deferred revenue activity for the year ended December 31, 2024.

Deferred Capital – Beginning of Year	\$ 444,683
Collection of Capital Contributions	102,500
Capital Contributions expensed	<u>-</u>
Deferred Capital – end of Year	<u>\$ 547,183</u>

The performance obligation related to these funds is satisfied when the funds are expended for their intended purpose, at which time the deferred capital funds are recognized as revenues by the Association.

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 10 – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents state that the board may, but are not obligated to, annually prepare a reserve budget to take into account the number and nature of replaceable assets owned, controlled, or maintained by the Master Association. The Association has not currently established such a fund or identified components and estimated the remaining the remaining useful lives or replacement cost of future capital expenditures. In accordance with Florida Statute, the following disclosure is noted: "THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR RESERVE ACCOUNTS FOR CAPITAL EXPENDITURE AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS. OWNERS MAY ELECT TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO THE PROVISIONS OF SECTION 720.303(6), FLORIDA STATUTES, UPON THE APPROVAL OF NOT LESS THAN A MAJORITY OF THE TOTAL VOTING INTERESTS OF THE ASSOCIATION"

NOTE 11 – PREPAID ASSESSMENTS

The prepaid assessments consist of 2025 maintenance fees received prior to January 1, 2025. At the balance sheet date, there was \$55,317.82 of prepaid assessments.

NOTE 12 – RELATED PARTY TRANSACTIONS

In accordance with the Association's governing documents, the Developer, in any given year, shall elect to pay : (i) the portion of the actual expenses, less any provision for reserves that does not exceed budgeted amounts and which were properly incurred by the Master Property Owners Association during that year, which is greater than the sums received from the Master Property Owners Association from the payment of assessments for that year by the owners other than the Declarant : or (ii) such amounts it would otherwise be obligated to pay based on the plots owned by it within the property. Ownership Turned over from the Developer to the Association on March 15, 2021. As of the turnover date, the Association owed \$57,391 to the Developer. This amount has not been paid as of December 31, 2024, and is recorded as a liability on the balance sheet.

NOTE 13 – CONCENTRATION OF CREDIT RISK

The Association maintains accounts at various financial institutions in the form of bank deposits which, at times, may exceed federally-insured limits of \$250,000. As of December 31, 2024, the Association is currently over the FDIC limit by \$85,989.36. The Association has not experienced any losses on such accounts and believes it is not exposed to any significant risk on cash as of December 31, 2024.

NOTE 14 – SUBSEQUENT EVENTS

The Association Filed a complaint June 13, 2025 against the Developer for defects and damages affecting the lakes, preserves, drainage systems and other elements affecting matters of common interest to the Association.

SUPPLEMENTARY INFORMATION

LELY RESORT MASTER PROPERTY OWNERS' ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION
STATEMENT OF REVENUE AND EXPENSES - BUDGET TO ACTUAL
DECEMBER 31, 2024

<u>REVENUES</u>	<u>ACTUAL</u>	<u>2024 BUDGET</u>	<u>VARIANCE</u>
Assessment Income	\$ 524,912	\$ 524,912	\$ -
Interest/Late Fees	5,740	-	5,740
Recovery of Bad Debt	-	-	-
Legal Fees Income	-	-	-
ARC Fee Income	-	-	-
Interest Income	305	30,909	(30,604)
Total Revenues	<u>530,957</u>	<u>555,821</u>	<u>(24,864)</u>
<u>EXPENSES</u>			
<u>Administrative</u>			
Office Expenses	3,032	5,000	(1,968)
Accounting/Audit/Tax Fees	6,275	8,500	(2,225)
Division Filing Fees	61	61	-
Legal Fees	75,667	75,000	667
Management Fees	42,730	43,260	(530)
Insurance Expense	30,692	50,000	(19,308)
Bad Debt Expense	-	3,000	(3,000)
Misc Expense	-	1,000	(1,000)
Engineering Report	106,420	30,000	76,420
Total Administrative	<u>264,877</u>	<u>215,821</u>	<u>49,056</u>
<u>Repairs & Maintenance</u>			
Grande Lely Dr Landscape	-	-	-
Landscape Lighting Maintenance	165	3,000	(2,835)
Sign Stanchion Replacement	-	7,000	(7,000)
Preserve Maintenance	50,680	150,000	(99,320)
Infrastructure Maintenance	16,970	-	16,970
Entry Feature Maintenance	6,910	9,000	(2,090)
Storm Drain System	226,406	125,000	101,406
Holiday Lighting	38,124	45,000	(6,876)
Total Repairs & Maintenance	<u>339,255</u>	<u>339,000</u>	<u>255</u>
<u>Public Utilities</u>			
Electricity	776	1,000	(224)
Total Utilities	<u>776</u>	<u>1,000</u>	<u>(224)</u>
<u>Depreciation</u>			
Depreciation Expense	441	-	441
Total Depreciation	<u>441</u>	<u>-</u>	<u>441</u>
Federal Income Taxes	1,564	-	1,564
TOTAL EXPENSES	<u>606,913</u>	<u>555,821</u>	<u>51,092</u>
EXCESS EXPENSES OVER REVENUES	<u>(75,956)</u>	<u>-</u>	<u>(75,956)</u>

See independent accountant's audit report.