

**SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.**

**FINANCIAL REPORT**

**DECEMBER 31, 2022**

**SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.**  
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**DECEMBER 31, 2022**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
Sea Winds Townhouse Condominium Association, Inc.

### **Opinion**

We have audited the financial statements of Sea Winds Townhouse Condominium Association, Inc., which comprise the balance sheet as of December 31, 2022 and the related statements of revenues and expenses, 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 Sea Winds Townhouse 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 Sea Winds Townhouse Condominium Association, Inc., and to meet our 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 the Board and Management for the Financial Statements**

The Board and Management are 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 Sea Winds Townhouse 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 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 Sea Winds Townhouse 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Sea Winds Townhouse Condominium Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate 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 Other Supplementary Information**

Our audit was conducted for the purpose of forming an opinion of the basic financial statements taken as a whole. The supplementary information on pages 13 – 14 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Disclaimer of Opinion on Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the 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, 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 the Board and management regarding the methods of preparing the information and comparing the information for consistency with their 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.

*Feldman Sablosky Massoni & Company*

Monroe Township, New Jersey

June 7, 2023

SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
BALANCE SHEET  
DECEMBER 31, 2022

|  | <u>Total</u>      | <u>Operating<br/>Fund</u> | <u>Deferred<br/>Maintenance<br/>Fund</u> | <u>Replacement<br/>Fund</u> |
|--|-------------------|---------------------------|--|-----------------------------|
| <b>ASSETS</b>  |                   |                           |  |                             |
| Cash and cash equivalents  | \$ 494,522        | \$ 97,814                 | \$ 16,033                                | \$ 380,675                  |
| Assessments receivable, net of allowance<br>for doubtful accounts of \$500 | 2,549             | 2,549                     | -  | -                           |
| Prepaid insurance  | 75,437            | 75,437                    | -  | -                           |
| Interfund balances   | <u>-</u>          | <u>(202,207)</u>          | <u>1,888</u>                             | <u>200,319</u>              |
| Total Assets   | <u>\$ 572,508</u> | <u>\$ (26,407)</u>        | <u>\$ 17,921</u>                         | <u>\$ 580,994</u>           |
| <b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>                             |                   |                           |  |                             |
| Liabilities:   |                   |                           |  |                             |
| Accounts payable and accrued expenses                                      | \$ 8,217          | \$ 8,217                  | \$ -                                     | \$ -                        |
| Assessments received in advance  | <u>7,740</u>      | <u>7,740</u>              | <u>-</u>                                 | <u>-</u>                    |
| Total Liabilities  | 15,957            | 15,957                    | -  | -                           |
| Fund Balances (Deficit)  | <u>556,551</u>    | <u>(42,364)</u>           | <u>17,921</u>                            | <u>580,994</u>              |
| Total Liabilities and Fund Balances (Deficit)                              | <u>\$ 572,508</u> | <u>\$ (26,407)</u>        | <u>\$ 17,921</u>                         | <u>\$ 580,994</u>           |

See notes to financial statements.

SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
STATEMENT OF REVENUES AND EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2022

|                                  | <u>Total</u>     | <u>Operating<br/>Fund</u> | <u>Deferred<br/>Maintenance<br/>Fund</u> | <u>Replacement<br/>Fund</u> |
|----------------------------------|------------------|---------------------------|--|-----------------------------|
| <b>REVENUES:</b>                 |                  |                           |  |                             |
| Maintenance assessments          | \$ 356,795       | \$ 278,338                | \$ 13,000                                | \$ 65,457                   |
| Sea Winds II CAM charges         | 6,000            | 6,000                     | -  | -                           |
| Working capital contributions    | 3,765            | -                         | -  | 3,765                       |
| Legal fee income                 | 362              | 362                       | -  | -                           |
| Late fees                        | 1,074            | 1,074                     | -  | -                           |
| Interest income                  | 217              | 17                        | 43                                       | 157                         |
| Miscellaneous                    | 100              | 100                       | -  | -                           |
|                                  | <u>368,313</u>   | <u>285,891</u>            | <u>13,043</u>                            | <u>69,379</u>               |
| Total Revenues                   |                  |                           |  |                             |
| <b>EXPENSES:</b>                 |                  |                           |  |                             |
| Administrative                   | 167,851          | 167,676                   | -  | 175                         |
| Common areas                     | 92,036           | 92,036                    | -  | -                           |
| Utilities                        | 15,754           | 15,754                    | -  | -                           |
| Power washing                    | 11,516           | -                         | 11,516                                   | -                           |
| Lighting                         | 1,831            | -                         | -  | 1,831                       |
|                                  | <u>288,988</u>   | <u>275,466</u>            | <u>11,516</u>                            | <u>2,006</u>                |
| Total Expenses                   |                  |                           |  |                             |
| Excess of Revenues over Expenses | <u>\$ 79,325</u> | <u>\$ 10,425</u>          | <u>\$ 1,527</u>                          | <u>\$ 67,373</u>            |

See notes to financial statements.

SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
STATEMENT OF CHANGES IN FUND BALANCES (DEFICIT)  
FOR THE YEAR ENDED DECEMBER 31, 2022

|   | Total             | Total<br>Operating<br>Fund | Deferred<br>Maintenance<br>Fund | Replacement<br>Fund |
|---|-------------------|----------------------------|---------------------------------|---------------------|
| Fund Balances (Deficit) - Beginning of Year, as originally stated | \$ 481,434        | \$ (48,581)                | \$ 16,394                       | \$ 513,621          |
| Prior Period Adjustment   | <u>(4,208)</u>    | <u>(4,208)</u>             | <u>-</u>                        | <u>-</u>            |
| Fund Balances (Deficit) - Beginning of Year, as restated          | 477,226           | (52,789)                   | 16,394                          | 513,621             |
| Excess of Revenues over Expenses                                  | <u>79,325</u>     | <u>10,425</u>              | <u>1,527</u>                    | <u>67,373</u>       |
| Fund Balances (Deficit) - End of Year                             | <u>\$ 556,551</u> | <u>\$ (42,364)</u>         | <u>\$ 17,921</u>                | <u>\$ 580,994</u>   |

See notes to financial statements.



SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2022

|   | <u>Total</u>      | <u>Operating<br/>Fund</u> | <u>Deferred<br/>Maintenance<br/>Fund</u> | <u>Replacement<br/>Fund</u> |
|---|-------------------|---------------------------|--|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES:   |                   |                           |  |                             |
| Excess of revenues over expenses  | \$ 79,325         | \$ 10,425                 | \$ 1,527                                 | \$ 67,373                   |
| Adjustments to reconcile excess of<br>revenues over expenses to net cash<br>provided by (used in) operating activities: |                   |                           |  |                             |
| Provision for bad debt  | 500               | 500                       | -  | -                           |
| Changes in assets and liabilities:  |                   |                           |  |                             |
| (Increase) Decrease in:   |                   |                           |  |                             |
| Assessments receivable  | (1,818)           | (1,818)                   | -  | -                           |
| Accrued investment income   | 44                | -                         | -  | 44                          |
| Prepaid insurance   | (8,544)           | (8,544)                   | -  | -                           |
| Interfund balances  | -                 | 10,114                    | (1,888)                                  | (8,226)                     |
| Increase (Decrease) in:   |                   |                           |  |                             |
| Accounts payable and accrued expenses   | (12,914)          | (12,914)                  | -  | -                           |
| Assessments received in advance   | (5,852)           | (5,852)                   | -  | -                           |
| Net Cash Provided by (Used in)<br>Operating Activities  | <u>50,741</u>     | <u>(8,089)</u>            | <u>(361)</u>                             | <u>59,191</u>               |
| Net Increase (Decrease) in<br>Cash and Cash Equivalents   | 50,741            | (8,089)                   | (361)                                    | 59,191                      |
| Cash and Cash Equivalents - Beginning of Year   | <u>443,781</u>    | <u>105,903</u>            | <u>16,394</u>                            | <u>321,484</u>              |
| Cash and Cash Equivalents - End of Year   | <u>\$ 494,522</u> | <u>\$ 97,814</u>          | <u>\$ 16,033</u>                         | <u>\$ 380,675</u>           |
| Supplemental Cash Flow Disclosure:  |                   |                           |  |                             |
| Income taxes paid   | <u>\$ -</u>       |                           |  |                             |
| Interest paid   | <u>\$ -</u>       |                           |  |                             |

See notes to financial statements.

SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 1 - Nature of Organization:

Sea Winds Townhouse Condominium Association, Inc. (the "Association") is an incorporated association pursuant to the Condominium Act of the State of New Jersey. The purpose of the Association is to provide for the preservation of the values and amenities in the community and for the maintenance of the common facilities. The Association consists of 66 residential units located in Long Branch, New Jersey. Recreational facilities include a swimming pool and tennis courts.

Note 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 7, 2023 the date that the financial statements were available to be issued.

Note 3 - Summary of Significant Accounting Policies:

Fund Accounting

The Association uses fund accounting, which requires that funds, such as operating funds and funds 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 Trustees and property manager. Disbursements from the replacement fund generally may be made only for designated purposes.

The assets, liabilities and fund balances of the Association are reported in the following fund groups:

Operating Fund

This fund represents the portion of expendable funds that are available for the general operations of the Association.

Deferred Maintenance Fund

The purpose of this fund is to accumulate sufficient amounts which will allow the Association to have the necessary resources to perform maintenance services which occur less frequently than annually.

Replacement Fund

The purpose of the replacement fund is to accumulate funds over the lives of capital assets which are part of the common elements and/or the Association's responsibility to replace so that sufficient amounts are available to pay for their eventual replacement.

Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the Association considers all highly liquid investments with an original maturity date of three months or less to be cash equivalents.

SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 3 - Summary of Significant Accounting Policies (continued):

Recognition of Assets

Real property and common areas acquired from the developer and related improvements to such property are not reflected on the Association's financial statements. Those properties are owned by the individual unit owners in common and not by the Association.

Interest Earned

The Board's policy is to allocate interest on all cash accounts to the respective fund in which it is earned.

Revenue Recognition

In May 2014 the Financial Accounting Standards Board issued ASU 2014-09, *Revenue from Contracts with Customers*, which supersedes the current revenue recognition requirements. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. Management has determined this ASU does not have a significant impact on the financial statements, except as to special assessments.

Special assessments are levied for many different reasons and, generally, are for amounts that have not been budgeted. A special assessment is typically for a specific purpose or cost. This can be for a future good or service, or for a good or service that already has been received. The key to proper recognition would be the Association's promise connected to the special assessment and the resulting performance obligation.

Recently Adopted Accounting Pronouncements

Effective January 1, 2022, the Association adopted FASB ASC 842, *Leases*. The Association determines if an arrangement contains a lease at inception based on whether the Association has the right to control the asset during the contract period and other facts and circumstances. The Association has no leases, therefore, there is no income statement nor balance sheet impact whatsoever.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Board 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 reported period. Actual results could differ from those estimates.

SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 4 - Assessments Receivable:

Association members are subject to monthly maintenance assessments to provide funds for the Association's operating expenses, future capital acquisitions and major repairs and replacements. Assessments receivable at the balance sheet date represent assessments due from unit owners. On a periodic basis, the Board and management evaluate the assessments receivable and establish an allowance for doubtful accounts, based on a history of past write-offs, collections and current legal status of past due accounts. An allowance for doubtful accounts in the amount of \$500 was deemed necessary as of December 31, 2022.

The annual budget and assessments of owners are determined by the Board of Trustees. The Association retains excess operating funds at the end of the operating year, if any, for use in future operating periods.

Note 5 - Future Major Repairs and Replacements:

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds held in separate accounts are generally not available for expenditures for normal operations.

O&S Associates conducted a study in 2019 to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were based on the estimated replacement costs at the time the study was done and may vary between the date of the study and the estimated dates that the components will require repair or replacement. A new capital reserve study was conducted in April, 2023, effective fiscal year beginning January 1, 2024. The table included in the unaudited Supplementary Information on Future Major Repairs and Replacements is based on the 2023 study.

There is a cash underfunding in the replacement fund of \$200,319, primarily due to the cumulative operating fund deficit of \$42,364.

Funds are being accumulated in the replacement fund based upon estimated costs for repairs and replacements of common property 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 all future needs for major repairs and replacements. If additional funds are needed, the Board has the right to increase regular assessments, pass special assessments or delay major repairs and replacements until funds are available.

Note 6 - Working Capital Contributions:

Upon the acquisition of title to a unit, including re-sales, each new member of the Association must pay a one-time, non-refundable, non-transferable working capital contribution equivalent to three months of the then current maintenance assessments. Capital contributions have been allocated to the replacement fund in the accompanying financial statements.

SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 7 - Income Taxes:

Under the Internal Revenue Code, associations may be taxed as condominium management associations or as regular corporations, at their election. The association may elect either method in any year and will generally select the method that results in the lowest tax due. A method selected in one year affects only that year and the Association is free to select either method in future years. By filing as a regular corporation, the association is generally taxed at a lower rate than filing as a condominium management association.

For the year ended December 31, 2022, the Association has elected to be taxed as a regular corporation. No income taxes have been provided based on the excess of non-membership expenses over non-membership income.

The Association is incorporated pursuant to Title 15A:1 of the New Jersey Statutes and therefore, is not liable for New Jersey corporation business income tax.

Management and the Board of Trustees have evaluated the Association's income tax positions that require adjustments to the financial statements. Generally, the Association is no longer subject to income tax examinations by U.S. federal, state or local tax authorities for the years before 2019, which is the standard statute of limitations look-back period.

Note 8 - Related Party Transactions:

MEM Construction Services, Inc. is a related entity of MEM Property Management. MEM Construction Services, Inc. provides repairs and maintenance services to the Association. Expenses incurred for these services totaled approximately \$1,100 for 2022.

Note 9 - Prior Period Adjustment:

A prior period adjustment was necessary to correct errors from the prior year in the accompanying financial statements.

Note 10 - Concentrations of Credit Risk:

Financial instruments which potentially subject the Association to significant concentrations of credit risk consist principally of cash, cash equivalents and assessments receivable.

The Association maintains cash and cash equivalents with various financial institutions which limits exposure to any one financial institution.

Concentrations of credit risk with respect to assessments receivable are limited due to the number of individuals comprising the membership of the Association.

As of December 31, 2022, the Association had no significant concentrations of credit risk.

## **SUPPLEMENTARY INFORMATION**

SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
SUPPLEMENTARY INFORMATION ON FUTURE  
MAJOR REPAIRS AND REPLACEMENTS  
DECEMBER 31, 2022  
(UNAUDITED)

Becht Engineering conducted a new capital reserve study in April, 2023 to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were based on the estimated replacement costs at the time the study was done and have not been revised since then. Therefore, they do not take into account the effects of inflation between the date of the study and the estimated dates that the components will require repair or replacement. The study was approved and will be implemented for the year beginning January 1, 2024.

The following table is based upon the 2023 study and presents significant information about the components of common property.

| <u>COMPONENTS</u> | <u>ESTIMATED<br/>REMAINING USEFUL<br/>LIVES (YEARS)</u> | <u>ESTIMATED<br/>REPLACEMENT<br/>COSTS</u> |
|-------------------|---|--|
| Architectural     | 2-37  | \$ 2,868,079                               |
| Electrical        | 0-10  | 45,200                                     |
| Mechanical        | 10  | 12,700                                     |
| Site              | 1-35  | 878,774                                    |
| Miscellaneous     | 1-29  | 59,248                                     |
|                   |   | <u>\$ 3,864,001</u>                        |

|   |                   |
|---|-------------------|
| Replacement Fund balance at December 31, 2022 | \$ 580,994        |
| Less: Interfund balance                       | <u>200,319</u>    |
| Replacement Fund cash at December 31, 2022    | <u>\$ 380,675</u> |

SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, OPERATING EXPENSES AND  
ALLOCATIONS TO FUNDS AS COMPARED TO BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2022

|                               | <u>Actual</u> | (Unaudited)<br><u>Budget</u> |
|-------------------------------|---------------|------------------------------|
| REVENUES:                     |               |                              |
| Maintenance assessments       | \$ 356,795    | \$ 356,843                   |
| Sea Winds II CAM charges      | 6,000         | 6,000                        |
| Working capital contributions | 3,765         | 3,650                        |
| Legal fee income              | 362           | 3,000                        |
| Late fees                     | 1,074         | 150                          |
| Interest income               | 217           | 170                          |
| Miscellaneous                 | 100           | 800                          |
|                               | <hr/>         | <hr/>                        |
| Total Revenues                | 368,313       | 370,613                      |
|                               | <hr/>         | <hr/>                        |
| EXPENSES:                     |               |                              |
| ADMINISTRATIVE:               |               |                              |
| Management fees               | 26,225        | 23,235                       |
| Insurance                     | 128,880       | 141,880                      |
| Legal fees                    | 5,166         | 10,000                       |
| Audit fee                     | 4,600         | 4,750                        |
| Bad debt                      | 500           | 500                          |
| Office                        | 2,034         | 500                          |
| Licenses and fees             | 96            | 181                          |
| Bank fees                     | 175           | -                            |
| Miscellaneous                 | -             | 500                          |
|                               | <hr/>         | <hr/>                        |
| Total Administrative          | 167,676       | 181,546                      |
|                               | <hr/>         | <hr/>                        |
| COMMON AREAS:                 |               |                              |
| Landscaping                   | 22,714        | 24,550                       |
| Landscape improvements        | 14,955        | 10,000                       |
| Snow clearing                 | 11,245        | 20,000                       |
| Irrigation maintenance        | 3,011         | 2,000                        |
| Pool management               | 16,115        | 18,250                       |
| Pool repairs                  | 13,155        | 4,000                        |
| Exterminating                 | 1,829         | 2,500                        |
| General maintenance           | 9,012         | 14,000                       |
|                               | <hr/>         | <hr/>                        |
| Total Common Areas            | 92,036        | 95,300                       |
|                               | <hr/>         | <hr/>                        |



SEA WINDS TOWNHOUSE CONDOMINIUM ASSOCIATION, INC.  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, OPERATING EXPENSES AND  
ALLOCATIONS TO FUNDS AS COMPARED TO BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2022

|  | <u>Actual</u>    | (Unaudited)<br><u>Budget</u> |
|--|------------------|------------------------------|
| EXPENSES (continued):  |                  |                              |
| UTILITIES:   |                  |                              |
| Water  | 12,525           | 11,700                       |
| Electric   | 2,794            | 3,000                        |
| Telephone  | <u>435</u>       | <u>500</u>                   |
| Total Utilities  | <u>15,754</u>    | <u>15,200</u>                |
| DEFERRED MAINTENANCE FUND:                                     |                  |                              |
| Maintenance assessments allocated to deferred maintenance fund | 13,000           | 13,000                       |
| Interest income allocated to deferred maintenance fund         | <u>43</u>        | <u>50</u>                    |
| Total Allocations to Deferred Maintenance Fund                 | <u>13,043</u>    | <u>13,050</u>                |
| REPLACEMENT FUND:  |                  |                              |
| Maintenance assessments allocated to replacement fund          | 65,457           | 65,457                       |
| Working capital contributions allocated to replacement fund    | 3,765            | -                            |
| Interest income allocated to replacement fund                  | <u>157</u>       | <u>60</u>                    |
| Total Allocations to Replacement Fund                          | <u>69,379</u>    | <u>65,517</u>                |
| Total Expenses and Allocations to Funds                        | <u>357,888</u>   | <u>370,613</u>               |
| Excess of Revenues over Expenses                               | <u>\$ 10,425</u> | <u>\$ -</u>                  |