

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2023



Gerstle, Rosen & Goldenberg, P.A.

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Unit Owners
The Lakes of Deer Creek Condominium Association, Inc.

Dear Members:

Opinion

We have audited the accompanying financial statements of The Lakes of Deer Creek Condominium 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 The Lakes of Deer Creek Condominium 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 The Lakes of Deer Creek 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.

Effect of Adopting New Accounting Standard

As discussed in Note 3 to the financial statements, as of January 1, 2023, the Association adopted Financial Accounting Standards Board ASU No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which supersedes accounting standards that currently exist under GAAP and provides a methodology for measuring credit losses that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The standard also requires Association's to disclose additional information, including expanded credit quality disclosures. The Association will be required to apply the expected credit loss model for accounts receivable, loans, and other financial instruments. Our opinion is not modified with respect to that matter.

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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 Lakes of Deer Creek 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 Lakes of Deer Creek 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 Lakes of Deer Creek Condominium 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 the 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.

Report on Supplementary Information

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Detailed Statement of Operating Revenues and Expenses Budget Comparison is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of 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.

Gerstle, Rosen & Goldenberg, P.A.

Gerstle, Rosen & Goldenberg, P.A.
Certified Public Accountants
Boca Raton, Florida

February 23, 2024

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

BALANCE SHEET

December 31, 2023

	OPERATING FUND	REPLACEMENT FUND	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 64,531	\$ 183,795	\$ 248,326
Certificates of Deposit		1,008,052	1,008,052
Accounts Receivable	6,324		6,324
Prepaid Insurance	59,350		59,350
TOTAL ASSETS	\$ 130,205	\$ 1,191,847	\$ 1,322,052
LIABILITIES AND FUND BALANCES			
Accounts Payable	\$ 27,268	\$	\$ 27,268
Prepaid Maintenance Fees	21,409		21,409
Contract Liability - Deferred Reserve		1,140,051	1,140,051
TOTAL LIABILITIES	48,677	1,140,051	1,188,728
Fund Balances	81,528	51,796	133,324
TOTAL LIABILITIES AND FUND BALANCES	\$ 130,205	\$ 1,191,847	\$ 1,322,052

The Accompanying Notes Are An Integral Part Of This Financial Statement.

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCES**

Year Ended December 31, 2023

	OPERATING FUND	REPLACEMENT FUND	TOTAL
REVENUES			
Maintenance Fees	\$ 426,423	\$ 104,948	\$ 531,371
Special Assessment - Insurance	37,500		37,500
Special Assessment - Projects	34,663		34,663
Clubhouse Rental Income	4,425		4,425
Interest Income		34,091	34,091
Social Membership Income	20,250		20,250
TOTAL REVENUES	523,261	139,039	662,300
EXPENSES			
Utilities	92,276		92,276
Operating	82,439		82,439
Repairs & Maintenance	54,480		54,480
Administrative	245,980		245,980
Special Assessment	34,663		34,663
Reserve Expenditures		104,948	104,948
TOTAL EXPENSES	509,838	104,948	614,786
EXCESS REVENUES (OVER EXPENSES)	13,423	34,091	47,514
FUND BALANCES - BEGINNING	68,105	17,705	85,810
FUND BALANCES - ENDING	\$ 81,528	\$ 51,796	\$ 133,324

The Accompanying Notes Are An Integral Part Of This Financial Statement.

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

STATEMENT OF CASH FLOWS

Year Ended December 31, 2023

	OPERATING FUND	REPLACEMENT FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
EXCESS REVENUES (EXPENSES)	\$ 13,423	\$ 34,091	\$ 47,514
ADJUSTMENTS TO RECONCILE EXCESS REVENUES (EXPENSES) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
DECREASE (INCREASE) IN ASSETS:			
Accounts Receivable	(4,413)		(4,413)
Prepaid Insurance	(27,095)		(27,095)
INCREASE (DECREASE) IN LIABILITIES:			
Accounts Payable	22,279		22,279
Prepaid Maintenance Fees	14		14
Contract Liability - Deferred Reserve		(7,211)	(7,211)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>4,208</u>	<u>26,880</u>	<u>31,088</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Certificates of Deposit		(1,008,052)	(1,008,052)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>0</u>	<u>(1,008,052)</u>	<u>(1,008,052)</u>
NET INCREASE (DECREASE) IN CASH	4,208	(981,172)	(976,964)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>60,323</u>	<u>1,164,967</u>	<u>1,225,290</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 64,531</u>	<u>\$ 183,795</u>	<u>\$ 248,326</u>

The Accompanying Notes Are An Integral Part Of This Financial Statement.

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

1. ORGANIZATION

The Lakes of Deer Creek Condominium Association, Inc. is a statutory condominium association incorporated on June 23, 1981, in the State of Florida. The Association is responsible for the operation and maintenance of the common property of The Lakes of Deer Creek Condominium Association, Inc. and consists of 91 units located in Deerfield Beach, Florida.

2. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through February 23, 2024, the date that the financial statements were available to be issued.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Association uses the accrual method of accounting, i.e., revenues are recognized as earned and expenses are recorded in the period in which they are incurred.

Fund Accounting

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

Operating Fund - This fund is used to account for financial resources available for the general operations of the Association.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repairs and replacements.

Member Assessments

Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating assessments 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.

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

**NOTES TO FINANCIAL STATEMENTS
Continued**

December 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Member Assessments (Continued)

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments plus late fees and other charges, if applicable, from association members. The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent according to its collection policy. The balances of assessments receivable as of the beginning and end of the year are \$1,911 and \$6,324, respectively.

The Association treats uncollectible assessments and other charges 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. It is the opinion of the board of directors that the Association will ultimately prevail against homeowners with delinquent assessments and, accordingly, no allowance for credit losses is deemed necessary.

Contract Liability (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 liability (assessments received in advance – Replacement Fund) as of the beginning and end of the year are \$1,147,262 and \$1,140,051, respectively (see Note 4).

Cash and Cash Equivalents

For presentation purposes, cash and cash equivalents consists of checking and money market accounts.

Certificates of Deposit

The Association holds certificates of deposit totaling \$1,008,052, bearing various interest rates. These certificates have original maturities of greater than 90 days, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

Prepaid Insurance and Insurance Payable

Prepaid insurance of \$59,350, as presented on the Balance Sheet, is shown net of the related financing agreement insurance payable of \$69,574.

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

**NOTES TO FINANCIAL STATEMENTS
Continued**

December 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Real property and common area property acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the owners in common and not by the Association. Capital Expenditures are charged to the designated funds. Generally, personal property purchased by the Association is expensed.

Use of Estimates

The Association uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Fair Value Measurement

Under FASB ASC 820, *Fair Value Measurements and Disclosures*, fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

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; therefore, no adjustment for the effect of FASB ASC 820 was made to the Association's financial statements at December 31, 2023.

Adoption of FASB ASU 2016-13 and Related Standards

Effective January 1, 2023, the Association adopted FASB ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Association adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Association's financial statements but did change how the allowance for credit losses is determined.

4. FUTURE MAJOR REPAIRS AND REPLACEMENTS

Florida Statutes provide that each proposed budget include provisions for reserves for capital improvements and deferred maintenance. These accounts, if adopted, are restricted to their intended purpose unless modified by a qualified unit owner vote. In addition, any special assessments adopted are also restricted to their specific purpose.

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

**NOTES TO FINANCIAL STATEMENTS
Continued**

December 31, 2023

4. FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)

The approved budget includes provisions for reserves for capital improvements and deferred maintenance. At a duly constituted meeting, the Association elected to partially waive reserve funding for the current fiscal year based on a study conducted by the Board of Directors to estimate the remaining useful lives and the replacement costs of the common property components, as disclosed in the Supplementary information. 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, the Association has the right to increase regular assessments levy special assessments, or delay major repairs and replacements until funds are available.

The balance of the Replacement Fund at December 31, 2023, consists of the following:

COMPONENTS	BALANCE 12/31/2022	INTEREST/ ASSESSMENTS	TRANSFERS	EXPENDITURES	BALANCE 12/31/2023
Clubhouse	\$18,940	\$2,740	\$25,000	(\$35,949)	\$10,731
Roof	0	74,017	1,037,945	(63,750)	1,048,212
Flat Roof	7,567		(7,567)		0
Painting	10,000	5,000			15,000
Pool Renovation	35,128	11,989			47,117
Road/Parking	83,865	3,991	(63,616)	(5,249)	18,991
Tiled Roof	991,762		(991,762)		0
SUB-TOTAL CONTRACT LIABILITY - DEFERRED RESERVES	1,147,262	97,737	0	(104,948)	1,140,051
Fund Balance - Unallocated Interest	17,705	34,091			51,796
TOTAL LIABILITIES AND FUND BALANCE	\$1,164,967	\$131,828	\$0	(\$104,948)	\$1,191,847

The Association does not allocate interest earned on the replacements fund to specific replacement components as earned, but does so periodically depending on projected requirements.

During 2023, the Association transferred \$25,000 to the Clubhouse, \$1,037,945 to the Roof, \$7,567 from the Flat Roof, \$63,616 from the Road/Parking and \$991,762 from the Tiled Roof.

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

**NOTES TO FINANCIAL STATEMENTS
Continued**

December 31, 2023

5. INCOME TAXES

The Association is subject to federal and state taxation and has essentially two methods to determine the amount of tax, if any, it must pay. Under one method, the excess of revenues from members over related expenditures is subject to taxation unless such excess is returned to the unit owners or applied to the following year's assessments (Section 277 of the Internal Revenue Code). The other method enables the Association to elect to exclude from taxation "exempt function income," (Section 528 of the Internal Revenue Code), which generally consists of revenue from unit owner assessments. Under either method, the Association may be subject to tax on investment income and other non-exempt income, but at different rates.

The Association will file its 2023 federal income tax return on Form 1120H under Section 528 of the Internal Revenue Code.

There is no current year provision for income taxes.

The Association has evaluated its tax positions and concluded that it has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of the Income Taxes Topic of the Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC").

The Association has no income tax returns under examination by the Internal Revenue Service. The Association believes it is no longer subject to income tax examinations for years prior to 2020.

6. COMMITMENTS

The Association has various contract services to maintain the common property including management services, common area landscaping, pool service, pest control, lake maintenance and janitorial services. These contracts have different expiration dates and renewal terms.

7. SPECIAL ASSESSMENT

On October 9, 2023, the Board of Directors approved a special assessment in the amount of \$72,163. The special assessment provided funding for the insurance premium increase, forty-year inspection, large tree removal, and backflow test/placement. This was due on November 1, 2023 or in two consecutive monthly payments commencing on that date.

As of December 31, 2023, the Association is recognizing \$37,500 of Special Assessment- Insurance income to off-set the increase in the insurance expense. The remaining \$34,633 is being reflected as Special Assessment – Projects on the Statement of Revenues, Expensed and Changes in Fund Balances.

THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS
Continued

December 31, 2023

8. CONTINGENCIES

Insurance Deductible

The current property insurance policy contains a deductible for hurricane damage. Should the Association incur an uninsured loss, the Association has the right to increase maintenance fees, pass a special assessment or delay repairs until funds are available.

Legal

The Association is from time-to-time subject to complaints and claims, including litigation, arising in the ordinary course of business. As of the date of this report, management believes that there are no claims or complaints of which it is currently aware that will materially affect its business, financial position, or future operating results. As of the date of this report, the following legal matters existed:

Donald Whelan vs The Lakes of Deer Creek
Broward County Case Number: CACE21002665
Filing Date: February 8, 2021
This case closed on December 4, 2023 in favor of the Association.

Senate Bill 4D – “Milestone Inspections” and “Structural Integrity Reserve Study”

In 2022, the Florida legislature passed Senate Bill 4D regarding condominium building safety laws. Among other things, the new law mandates “milestone inspections” of condominium buildings. The requirements for the inspection vary based on the characteristics of the structure. The new law also requires a “structural integrity reserve study” to be performed at least every ten years and members cannot opt-out of the mandatory funding of reserves for structural integrity components, regardless of a membership vote. The new law takes effect immediately, however, the legislature has provided a two-year period for compliance with many of the requirements.

SUPPLEMENTARY INFORMATION

THE LAKES OF DEER CREEK CONDOMINIUM ASSOCIATION, INC.

**SUPPLEMENTARY INFORMATION ON
FUTURE MAJOR REPAIRS AND REPLACEMENTS**

**December 31, 2023
(Unaudited)**

The Association has not conducted an independent reserve study to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on estimates from historical experience. Actual expenditures may vary from these estimated amounts and the variance may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

The following presents significant information about the components of common property:

<u>COMPONENTS</u>	<u>ESTIMATED REMAINING USEFUL LIVES</u>	<u>ESTIMATED CURRENT REPLACEMENT COSTS</u>	<u>2024 FUNDING REQUIREMENT</u>
Roofs	20 Years	\$2,269,237	\$96,386
Paving	2 - 18 Years	169,680	17,063
Painting	7 Years	89,507	10,574
Clubhouse	5 - 15 Years	94,704	11,939
Pool/Spa/Fence	2 - 22 Years	109,007	7,711
Mailboxes/Monument	2 - 18 Years	39,326	6,368
		<hr/>	<hr/>
TOTAL		<u>\$2,771,461</u>	<u>\$150,041</u>

The 2024 budget includes \$97,737 of funding for future major repairs and replacements.

See independent auditors' report.

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

SUPPLEMENTARY INFORMATION

**DETAILED STATEMENT OF OPERATING REVENUES AND EXPENSES
BUDGET COMPARISON**

Year Ended December 31, 2023

	<u>ACTUAL</u>	<u>BUDGET (Unaudited)</u>	<u>VARIANCE</u>
<u>REVENUES:</u>			
Maintenance Fees	\$426,423	\$426,659	(\$236)
Special Assessment - Insurance	37,500	0	37,500
Special Assessment - Projects	34,663	0	34,663
Clubhouse Rental Income	4,425	1,600	2,825
Other Income	0	1,500	(1,500)
Social Membership Income	20,250	20,000	250
Total Revenues	<u>523,261</u>	<u>449,759</u>	<u>73,502</u>
<u>EXPENSES:</u>			
<u>UTILITIES</u>			
Electric	22,074	22,000	(74)
Water Sewer	68,876	65,000	(3,876)
Telephone	1,326	1,629	303
TOTAL UTILITIES	<u>92,276</u>	<u>88,629</u>	<u>(3,647)</u>
<u>OPERATING</u>			
Landscape Contract	60,000	60,060	60
Irrigation Contract	3,640	6,750	3,110
Janitorial Service	9,350	7,800	(1,550)
Lake Maintenance Contract	2,160	2,400	240
Pool Service Contract	7,289	6,500	(789)
TOTAL OPERATING	<u>82,439</u>	<u>83,510</u>	<u>1,071</u>
<u>REPAIR/MAINTENANCE</u>			
Backflow Certification	0	1,700	1,700
Clubhouse Repair/Maintenance	987	2,500	1,513
Exterminating/ Termite	8,630	9,500	870
Irrigation Repairs	5,087	4,000	(1,087)
Landscape Other	1,909	5,400	3,491
Pool Repairs	3,611	5,000	1,389
Repair & Maintenance	20,031	25,750	5,719
Tree Trimming	14,225	18,000	3,775
TOTAL REPAIR/MAINTENANCE	<u>54,480</u>	<u>71,850</u>	<u>17,370</u>

See independent auditors' report.

**THE LAKES OF DEER CREEK CONDOMINIUM
ASSOCIATION, INC.**

SUPPLEMENTARY INFORMATION

**DETAILED STATEMENT OF OPERATING REVENUES AND EXPENSES
BUDGET COMPARISON**

Year Ended December 31, 2023

	<u>ACTUAL</u>	<u>BUDGET (Unaudited)</u>	<u>VARIANCE</u>
<u>EXPENSES(Continued):</u>			
<i>ADMINISTRATIVE</i>			
Accounting - Audit	5,200	5,100	(100)
Bad Debt	0	1,900	1,900
Office Expenses	4,652	5,000	348
Fees to the Division	1,153	750	(403)
Insurance	216,076	170,000	(46,076)
Legal Fees	248	4,000	3,752
Management	18,075	18,120	45
Taxes/Fees/Dues	576	900	324
<i>TOTAL ADMINISTRATIVE</i>	<u>245,980</u>	<u>205,770</u>	<u>(40,210)</u>
<i>SPECIAL ASSESSMENT</i>	<u>34,663</u>	<u>0</u>	<u>(34,663)</u>
Total Operating Expenses	<u>509,838</u>	<u>449,759</u>	<u>(60,079)</u>
Excess Operating Revenues (Expenses)	<u>\$13,423</u>	<u>\$0</u>	<u>\$13,423</u>

See independent auditors' report.

