

PROMENADES EAST
CONDOMINIUM ASSOCIATION, INC.

PORT CHARLOTTE, FLORIDA

FINANCIAL REPORT

DECEMBER 31, 2023

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Fred B. Dees, C.P.A. (1930 - 2020)
Fred B. Dees, Jr., C.P.A.

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Promenades East Condominium Association, Inc.
Port Charlotte, Florida

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of **Promenades East Condominium Association, Inc.**, which comprise of the balance sheet as of **December 31, 2023**, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all respects, the financial position of **Promenades East Condominium Association, Inc.** as of **December 31, 2023**, and the changes in fund balances 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 **Promenades East 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 opinions.

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 the **Promenades East Condominium Association, Inc.**'s ability to continue as a going concern within one year after the date 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:

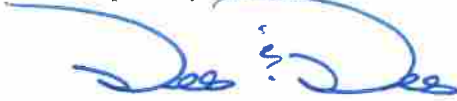
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, 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 **Promenades East 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 no conditions or events, considered 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supporting information shown on pages 13 through 15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to underlying accounting and other records used to prepare the financial statements. This 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 basic financial statements taken as a whole.

Respectfully submitted,



DEES & DEES, C.P.A.'s, P.A.
Port Charlotte, Florida
February 6, 2024

FINANCIAL REPORT

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
BALANCE SHEET
DECEMBER 31, 2023

<u>ASSETS</u>	<u>Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>Total (Memo Only)</u>
<u>Current Assets</u>			
Cash	\$ 53,607	\$ 449,602	\$ 503,209
Cash - Escrow	19,500	-0-	19,500
Assessments receivable	1,132	-0-	1,132
Prepaid insurance	<u>73,406</u>	<u>-0-</u>	<u>73,406</u>
Total Current Assets	<u>147,645</u>	<u>449,602</u>	<u>597,247</u>
<u>Property and Equipment</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
 Total Assets	 <u>\$ 147,645</u>	 <u>\$ 449,602</u>	 <u>\$ 597,247</u>

LIABILITIES AND FUND BALANCES

<u>Current Liabilities</u>			
Payroll taxes payable	\$ 6,012	\$ -0-	\$ 6,012
Prepaid assessment	24,352	-0-	24,352
Security and key deposits	20,255	-0-	20,255
Contract liabilities (assessments received in advance – restricted fund)	-0-	445,436	445,436
Contract liabilities (assessments received in advance – Special assessment – Storm damage)	<u>-0-</u>	<u>4,166</u>	<u>4,166</u>
Total Current Liabilities	<u>50,619</u>	<u>449,602</u>	<u>500,221</u>
<u>Fund Balances</u>			
Owners' capital contributions	44,692	-0-	44,692
Developer capital contribution	3,585	-0-	3,585
Unrestricted fund balance	<u>48,749</u>	<u>-0-</u>	<u>48,749</u>
Total Fund Balances	<u>97,026</u>	<u>-0-</u>	<u>97,026</u>
 Total Liabilities and Fund Balances	 <u>\$ 147,645</u>	 <u>\$ 449,602</u>	 <u>\$ 597,247</u>

Read Independent Auditors' Report

The accompanying notes are an integral part of this statement.

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
STATEMENT OF REVENUE AND EXPENSES
FOR YEAR ENDED DECEMBER 31, 2023

	<u>Unrestricted</u> <u>Fund</u>	<u>Restricted</u> <u>Fund</u>	<u>Total</u> <u>(Memo Only)</u>
<u>Revenues:</u>			
Assessments	\$ 529,173	\$ -0-	\$ 529,173
Special assessment – Shortfall/Entry	-0-	9,466	9,466
Special assessment – Structural	61,064	58,977	120,041
Special assessment – Storm damage	-0-	295,834	295,834
Interest	312	8,789	9,101
Other revenue	4,234	-0-	4,234
Total Revenues	<u>594,783</u>	<u>373,066</u>	<u>967,849</u>
<u>Expenses:</u>			
Salaries:			
Manager	81,884	-0-	81,884
Janitorial	23,380	-0-	23,380
Maintenance	35,472	-0-	35,472
Payroll taxes	10,963	-0-	10,963
Unemployment tax	2	-0-	2
Temporary employee	240	-0-	240
Accounting	6,340	-0-	6,340
Janitorial service	278	-0-	278
Legal	2,661	-0-	2,661
Bank charges	268	-0-	268
Recreation	1,014	-0-	1,014
Background checks	1,722	-0-	1,722
Insurance:			
General	124,947	-0-	124,947
Flood	2,778	-0-	2,778
Workers compensation	2,661	-0-	2,661
Postage, stationary and supplies	697	-0-	697
Buildings repairs	7,207	-0-	7,207
Inspection fees and license	450	-0-	450
State unit tax	588	-0-	588
Telephone	3,143	-0-	3,143
Water/Sewer	147,526	-0-	147,526
Electric	40,128	-0-	40,128
Lawn contract	14,300	-0-	14,300
Air conditioner repair	1,970	-0-	1,970
Hardware	340	-0-	340
Waste management	852	-0-	852
Small tools	301	-0-	301
Employee recognition	316	-0-	316
Office equipment repair	1,252	-0-	1,252
Office equipment - Other	28	-0-	28
Diesel Fuel – Fire pump	494	-0-	494

Read Independent Auditors' Report

The accompanying notes are an integral part of this statement.

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
STATEMENT OF REVENUE AND EXPENSES (CONT.)
FOR YEAR ENDED DECEMBER 31, 2023

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	<u>(Memo Only)</u>
Exit lighting service	627	-0-	627
Fire alarm service - inspection - repair	3,230	-0-	3,230
Outside services	5,926	-0-	5,926
Irrigation repair	615	-0-	615
Outside pest control	1,575	-0-	1,575
Computer software	634	-0-	634
LP Gas - generator	726	-0-	726
Janitorial supplies	603	-0-	603
Paint, lamps and hardware	3,174	-0-	3,174
Fire extinguisher service	818	-0-	818
Annual backflow water inspection	259	-0-	259
Diesel and fire pump inspection	3,466	-0-	3,466
Gasoline for errands	660	-0-	660
Miscellaneous/contingencies	1,734	-0-	1,734
Mulch	3,480	-0-	3,480
Elevator maintenance	6,233	-0-	6,233
Sprinkler repair and inspection	4,582	-0-	4,582
Inside pest control	2,020	-0-	2,020
Pool and spa service	8,656	-0-	8,656
Pool and spa filters and repairs	1,518	-0-	1,518
Plants	928	-0-	928
Tree trimming	8,050	-0-	8,050
Carpet cleaning	644	-0-	644
Roof	-0-	287,708	287,708
Building painting	-0-	73,516	73,516
Elevator	-0-	5,054	5,054
Air conditioner	-0-	6,788	6,788
Total Expenses	<u>574,360</u>	<u>373,066</u>	<u>947,426</u>
Net Excess (Deficit)	<u>\$ 20,423</u>	<u>\$ -0-</u>	<u>\$ 20,423</u>

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
STATEMENT OF CHANGES IN FUND BALANCES
FOR YEAR ENDED DECEMBER 31, 2023

	Owner's Capital <u>Contribution</u>	Developer Capital <u>Contribution</u>	Unrestricted Fund <u>Balance</u>	Total (Memo Only)
Balance - January 1, 2023	\$ 44,692	\$ 3,585	\$ 28,326	\$ 76,603
Net Excess (Deficit)	<u>-0-</u>	<u>-0-</u>	<u>20,423</u>	<u>20,423</u>
Balance - December 31, 2023	<u>\$ 44,692</u>	<u>\$ 3,585</u>	<u>\$ 48,749</u>	<u>\$ 97,026</u>

Read Independent Auditors' Report
The accompanying notes are an integral part of this statement.

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31, 2023

	<u>Unrestricted</u> <u>Fund</u>	<u>Restricted</u> <u>Fund</u>	<u>Total</u> <u>(Memo Only)</u>
Cash Flows from Operating Activities:			
Net Excess (Deficit)	\$ 20,423	\$ -0-	\$ 20,423
Adjustments to reconcile net income to net cash provided by operating activities:			
Decrease (increase) in escrow	500	-0-	500
Decrease (increase) in accounts receivable	199,125	-0-	199,125
Decrease (increase) in due from unrestricted	-0-	58,977	58,977
Decrease (increase) in due from unrestricted	-0-	72,625	72,625
Decrease (increase) in prepaid insurance	(51,683)	-0-	(51,683)
Decrease (increase) in prepaid restricted assessments	4,919	-0-	4,919
(Decrease) increase in payroll taxes payable	6,012	-0-	6,012
(Decrease) increase in prepaid assessments	1,137	(4,919)	(3,782)
(Decrease) increase in security and key deposits	(480)	-0-	(480)
(Decrease) increase in contract liability – (assessments received in advance – restricted fund)	-0-	59,027	59,027
(Decrease) increase in contract liability – (assessments received in advance – special assessment) - Structural	(120,041)	-0-	(120,041)
- Storm Damage	(299,577)	4,166	(295,411)
- Shorfall/Entry	<u>-0-</u>	<u>(9,466)</u>	<u>(9,466)</u>
Net Cash Provided (Used) By Operating Activities	<u>(239,665)</u>	<u>180,410</u>	<u>(59,255)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(239,665)</u>	<u>180,410</u>	<u>(59,255)</u>
Cash and cash equivalents - Beginning of year	<u>293,272</u>	<u>269,192</u>	<u>562,464</u>
Cash and Cash Equivalents - End of Year	<u>\$ 53,607</u>	<u>\$ 449,602</u>	<u>\$ 503,209</u>

Supplemental Disclosure:

Income Taxes Paid **\$ -0-**

Interest Paid **\$ -0-**

Read Independent Auditors' Report
The accompanying notes are an integral part of this statement.

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

Note 1 Nature of Business and Significant Accounting Policies

Nature of Business

Promenades East Condominium Association, Inc. is a not-for-profit corporation organized under the laws of the State of Florida. The Association operates Promenades East Condominium, which consists of 147 units located in Port Charlotte, Florida.

Promenades East Condominium was declared such October 12, 1982, pursuant to the filing of its condominium documents. The first unit was closed on October 18, 1982.

Significant Accounting Policies

A summary of the significant accounting policies followed by the Association is set forth below:

Fund Accounting

The Association's governing documents provide certain guidelines for 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.

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

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Association considers all highly liquid debt instruments purchased to be cash equivalent. Certificates of Deposit held in the Restricted Fund are considered cash equivalents.

Assessments Receivable

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 is satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association's policy is to consider legal counsel and place liens on the properties of homeowners whose assessments are sixty days delinquent. 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 uncollected accounts s deemed necessary.

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2023

Note 1 Nature of Business and Significant Accounting Policies (Cont.)

Significant Accounting Policies (Cont.)

Property and Equipment

Real property and common areas 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 individual unit owners in common and not by the Association. The Association capitalizes personal property at cost and depreciates it using the straight line method.

Contract Liabilities (assessments received in advance-restricted fund)

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance-restricted fund) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of contract liabilities (assessments received in advance-restricted fund) as of the beginning and end of the year are \$386,409 and \$445,436, respectively.

Special Assessment/Contract Liabilities (assessments received in advance-special assessment – Storm Damage)

On October 10, 2022 the Board passed a Special Assessment for a total of \$300,000. The funds are to be used for storm damage related to Hurricane Ian. The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance-special assessment – Storm Damage) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to the special assessment. The balance of contract liabilities (assessments received in advance-special assessment – Storm Damage) as of December 31, 2023 is \$4,166.

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

Assessments

The Board of Directors shall from time to time, and at least annually, prepare a budget for the condominium, determine the amount of assessments payable by the unit owners to meet the common expenses of the condominium and allocate and assess such expenses among the unit owners in accordance with the provisions of the condominium declaration and the bylaws.

Management

The Association's Board of Directors for the period ended December 31, 2023 consisted of homeowners of the Association.

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2023

Note 2 Property and Equipment

Property and equipment are comprised of the following at December 31, 2023:

Common property improvements	\$ 2,113
Equipment	<u>1,067</u>
	3,180
Less: Accumulated depreciation	<u>(3,180)</u>
Remaining Basis	<u><u>\$ -0-</u></u>

Note 3 Owners' Capital Contribution

At December 31, 2023 owners' capital contribution consisted of:

Unit owners at closing made a capital contribution to the Association equal to twice their monthly assessment.	\$ 29,706
Owners indirectly paid for all furniture and fixtures in the common areas. These assets were recorded as owners' capital.	<u>14,986</u>
	<u><u>\$ 44,692</u></u>

Note 4 Developer Capital Contribution

The developer funded the Association \$2,085 in excess of the developer's obligations at June 15, 1982. The developer has contributed these funds as contributed capital to the Association. The developer contributed an additional \$1,500 in contributed capital during 1985.

Note 5 Future Major Repairs and Replacements

Pursuant to the Florida Condominium Act and the Association's governing documents, the Association is required to accumulate funds for future major repairs and replacements. Accumulated funds, which aggregate approximately \$386,409 and are presented on the accompanying balance sheet as a contract liability (assessments received in advance-restricted fund) at December 31, 2023, are held in separate accounts and are not available for expenditures for normal operations. It is the Association's policy that interest earned on such funds is allocated to the reserve fund account. The Association engaged an independent engineer who conducted a study in September, 2022 to estimate the remaining useful lives and the replacement cost of common property components.

Funds are accumulated in the restricted fund based on current estimates of future needs for repairs and replacements of common property components. Actual expenditures may vary from the estimated future expenditures and the variations may be material. Therefore, amounts accumulated in the restricted fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2023

Note 5 Future Major Repairs and Replacements (Cont.)

Effective for 2019, the Association began using the pooled method to account for restricted funds and therefore has not allocated the accumulated restricted balance or the budgeted restricted contributions, if any, to the components of common property that make up the total reserves. The pooled method requires annual contributions to provide sufficient funds to meet all expenditures when due. The components of and the expenditures from the pooled restricted funds are as follows:

<u>Component</u>	<u>Pooled Restricted Fund Expenditures</u>
Roof	\$ 287,708
Building painting	73,516
Elevator	5,054
Air conditioner	<u>6,788</u>
Total	<u>\$ 373,066</u>

Note 6 Compensated Absences

The Association provides for all compensated absences as they are incurred. Any liability for uncompensated absences is immaterial.

Note 7 Commonly Owned Assets

Commonly owned assets primarily include the land, buildings and other recreational areas within the development. These assets are not owned by the Association. The ownership of these assets vests with the unit owners and these assets are not deemed to be severable. As a result, commonly owned assets are not capitalized in the Association's financial statements. Replacements, major repairs and the purchase of additional commonly owned assets are not capitalized as assets. These assets are accounted for as expenditures in the Unrestricted and Restricted Funds at the time of the expenditure.

Note 8 Income Taxes

The Association is classified as a nonexempt membership organization for both federal and state income tax purposes for the year ended December 31, 2023. It does not qualify as an exempt organization. The Association is subject to specific rulings and regulations applicable to nonexempt membership organizations. In general, the Association is required to separate its taxable income and deductions into membership transactions, non-membership transactions, and capital transactions.

For federal tax purposes, the Association is taxed on all net income from non-membership activities reduced only by losses from non-membership activities for which a profit motive exists. Non-membership income may not be offset by membership losses, and any excess membership deductions may only be carried forward to offset membership income of future tax periods. Any net membership income not applied to the subsequent tax year is subject to taxation. The Association files Form 1120, which has graduated tax rates of 15% to 39% that are applied to net taxable income.

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2023

Note 8 Income Taxes (Cont.)

For state income tax purposes, the Association also is taxed on all net income from non-membership activities reduced only by losses from non-membership activities for which a profit motive exists. Non-membership income may not be offset by membership losses. Any net membership income is not subject to taxation. The tax rate that is applied to net taxable income is 5.5%.

The Association's tax filings are subject to audit by various taxing authorities. The Association's federal income tax returns for 2022, 2021, and 2020 remain open to examination by the Internal Revenue Service; state income tax returns for 2022, 2021, and 2020 are open to examination. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

Note 9 Concentrations of Credit Risk

The Association maintains its cash balances at various financial institutions located throughout the area. Accounts at each institution are secured by the Federal Deposit Insurance Company (FDIC) up to \$250,000. At December 31, 2023, the Association had no significant concentration of credit risk.

Note 10 Fair Value Measurement

The Association uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures of investments in debt and equity securities if held as available-for-sale on a recurring basis. FASB ASC 820-10 defines fair value, establishes a consistent framework for measuring fair value, and expands disclosure requirements for fair value measurements. The carrying amounts reflected in the balance sheet for cash, cash equivalents, condominium fees receivable and accounts payable approximate the respective fair values due to the short maturities of those instruments.

Note 12 Subsequent Events

Promenades East Condominium Association, Inc.'s management has performed subsequent events procedures through February 6, 2024 which is the date the financial statements were available to be issued. There were no subsequent events requiring adjustment to the financial statements or disclosures as stated herein.

SUPPLEMENTARY INFORMATION

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
STATEMENT OF ACTUAL RECEIPTS AND DISBURSEMENTS TO BUDGET
UNRESTRICTED FUND ONLY
FOR YEAR ENDED DECEMBER 31, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
		(Unaudited)	(Unaudited)
<u>Receipts:</u>			
Assessments	\$ 588,199	\$ 588,199	\$ -0-
Less: Restricted reserves	<u>59,026</u>	<u>59,026</u>	<u>-0-</u>
Net Fees	529,173	529,173	-0-
Special assessment	61,064	-0-	61,064
Interest	312	1,000	(688)
Other revenue	<u>4,234</u>	<u>6,400</u>	<u>(2,166)</u>
Total Receipts	<u>594,783</u>	<u>536,573</u>	<u>58,210</u>
<u>Disbursements:</u>			
Salaries:			
Manager	81,884	79,922	(1,962)
Maintenance	35,472	33,060	(2,412)
Janitorial	23,380	24,870	1,490
Clerical	-0-	200	200
Payroll taxes	10,963	10,200	(763)
Unemployment tax	2	100	98
Accounting	6,340	6,700	360
Employee recognition	316	350	34
Bank charges	268	400	132
Legal	2,661	2,400	(261)
Recreation	1,014	1,000	(14)
Background checks	1,722	1,800	78
Temporary employee	240	2,000	1,760
Insurance:			
General	124,947	93,000	(31,947)
Flood	2,778	2,450	(328)
Workers compensation	2,661	2,980	319
Postage, stationary and supplies	697	900	203
Gasoline for errands	660	720	60
Miscellaneous	1,734	2,100	366
Inspection fees and license	450	700	250
State unit tax	588	588	-0-
Telephone	3,143	3,400	257
Water/Sewer	147,526	135,200	(12,326)
Electric	40,128	33,600	(6,528)
Lawn contract	14,300	14,400	100
Spraying/fertilizing lawn	-0-	300	300
Air conditioner repair	1,970	2,600	630
Tree trimming	8,050	5,400	(2,650)
Waste management	852	900	48
Small tools	301	300	(1)
LP Fuel for generator	726	300	(426)

Read Independent Auditors' Report on Supplementary
Information and Accompanying Notes to Financial Statements.

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
STATEMENT OF ACTUAL RECEIPTS AND DISBURSEMENTS TO BUDGET
UNRESTRICTED FUND ONLY (CONT.)
FOR YEAR ENDED DECEMBER 31, 2023

Disbursements (continued):

Equipment rental and repair	-0-	200	200
Office equipment repair	1,252	1,083	(169)
Office equipment other	28	200	172
Bad debts	-0-	1,000	1,000
Diesel Fuel – Fire pump	494	450	(44)
Training and education	-0-	200	200
Exit lighting service	627	350	(277)
Fire alarm service – inspection - repair	3,230	2,800	(430)
Outside services	5,926	4,500	(1,426)
Irrigation repair	615	5,500	4,885
Outside pest control	1,575	1,800	225
Computer software	634	880	246
Work clothes	-0-	300	300
Hardware	340	600	260
Janitorial service	278	3,200	2,922
Janitorial supplies	603	1,500	897
Paint, lamps and hardware	3,174	3,000	(174)
Fire extinguisher service	818	550	(268)
Annual backflow water inspection	259	220	(39)
Diesel and fire pump inspection	3,466	2,300	(1,166)
Building repairs	7,207	12,800	5,593
Mulch	3,480	3,400	(80)
Elevator maintenance	6,233	6,500	267
Sprinkler repair and inspection	4,582	1,500	(3,082)
Inside Pest control	2,020	1,300	(720)
Pool and spa service	8,656	7,600	(1,056)
Pool and spa filters and repairs	1,518	4,000	2,482
Plants	928	1,200	272
Advertising	-0-	200	200
Federal tax	-0-	100	100
Carpet cleaning	644	4,500	3,856
	<u>574,360</u>	<u>536,573</u>	<u>(37,787)</u>
Total Disbursements			
Net Excess (Deficit)	<u>\$ 20,423</u>	<u>\$ -0-</u>	<u>\$ 20,423</u>

PROMENADES EAST CONDOMINIUM ASSOCIATION, INC.
PORT CHARLOTTE, FLORIDA
SUPPLEMENTARY INFORMATION ON FUTURE
MAJOR REPAIRS AND REPLACEMENTS
FOR YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

An independent engineer conducted a study in September 2022 to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. The study does not take into account the effects of inflation between the date of the study and the date that the components will require repair or replacement.

The following table is based on the study and updates provided to the Board to present significant information about the components of common property.

<u>Components</u>	Estimated Remaining Useful Lives <u>(Years)</u>	Estimated Current Replacement <u>Costs</u>	Restricted Fund Contract Liabilities <u>December 31, 2023</u>
Roof	10	\$ 200,000	\$ -0-
Building painting	8	220,000	-0-
Parking lot	6	20,000	-0-
Pool/Spa resurface	5	30,000	-0-
Pool furniture	5	5,000	-0-
Elevator	11	80,000	-0-
Air conditioners	10	56,000	-0-
Generator	9	56,000	-0-
Fire pump	9	80,000	-0-
Spa/pool heaters	7	14,000	-0-
Fire panel	9	95,000	-0-
Carpet replacement	3	120,000	-0-
Security system	4	25,000	-0-
Structural repairs	10	<u>125,000</u>	<u>-0-</u>
Totals		<u>\$1,126,000</u>	<u>\$ 449,602</u>