

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.

FINANCIAL STATEMENTS

For the Year Ended September 30, 2016

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INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Condominium Association of Parker Plaza Estates, Inc. which comprise of the balance sheet as of September 30, 2016, the related statements of revenues, expenses and changes in fund balance (deficit), cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of Condominium Association of Parker Plaza Estates, Inc. as of September 30, 2016, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of operating expenses on pages 11 through 13 is presented for purposes of additional analysis and is not a required part of the 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 supplementary information on future major repairs and replacements on page 10 be presented to supplement the basic financial statements. Such information, although not a required 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 historic 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.

Master and Company, P.A.

Master and Company, P.A.
Davie, Florida
January 24, 2017

Member of the American and Florida Institutes of Certified Public Accountants

Main Office: 5595 Orange Drive, Suite 207 • Davie, FL 33314 • Tel: (954) 864-1117 • Fax: (954) 437-5461
Orlando • Davie • Naples • www.MasterAndCompanyPA.com

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
BALANCE SHEET
SEPTEMBER 30, 2016

	Operating Fund	Replacement Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 447,848	\$ -	\$ 447,848
Cash - Escrow	832,118	-	832,118
Cash - Special Assessment	28,613	-	28,613
Assessments Receivable, Net of \$33,783			
Allowance for Doubtful Accounts	49,844	-	49,844
Property and Equipment, Net of \$975,000			
Accumulated Depreciation	975,000	-	975,000
Prepaid Expenses	12,859	-	12,859
Prepaid Insurance	354,198	-	354,198
Other Assets	4,845	-	4,845
Total Assets	<u>\$ 2,705,325</u>	<u>\$ -</u>	<u>\$ 2,705,325</u>

LIABILITIES AND FUND BALANCE

LIABILITIES			
Accounts Payable and Accrued Expenses	\$ 92,375	\$ -	\$ 92,375
Prepaid Maintenance Assessments	39,185	-	39,185
Insurance Payable	576,732	-	576,732
Line of Credit Payable	381,556	-	381,556
Loan Payable	6,283,083	-	6,283,083
Security Deposits	832,119	-	832,119
Deferred Special Assessment	347,056	-	347,056
Total Liabilities	8,552,106	-	8,552,106
Fund Balance (Deficit)	<u>(5,846,781)</u>	-	<u>(5,846,781)</u>
Total Liabilities and Fund Balance	<u>\$ 2,705,325</u>	<u>\$ -</u>	<u>\$ 2,705,325</u>

The accompanying notes are an integral part of the financial statements.

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE (DEFICIT)
For the Year Ended September 30, 2016

	Operating Fund	Replacement Fund	Total
REVENUES			
Member Assessments	\$ 4,702,540	\$ -	\$ 4,702,540
Special Assessments Income	318,634	-	318,634
Interest Income	97	-	97
Application Fees	8,320	-	8,320
Estoppel and Condo Questionnaire	7,400	-	7,400
Fob Keys	8,600	-	8,600
Late Fees	2,200	-	2,200
Laundry Income	11,296	-	11,296
Legal/Lien Fees	15,208	-	15,208
Parking - Contractor	10,211	-	10,211
Parking - Monthly	28,338	-	28,338
Parking - Stickers	26,548	-	26,548
Parking - Valet	15,740	-	15,740
Rental Income	23,287	-	23,287
Repair, Work Orders and AC Filter Income	5,339	-	5,339
Storage Income	34,720	-	34,720
Towel Income	3,570	-	3,570
Other Income	<u>6,256</u>	<u>-</u>	<u>6,256</u>
 Total Revenues	 <u>5,228,304</u>	 <u>-</u>	 <u>5,228,304</u>
EXPENSES			
Administrative and General	1,026,338	-	1,026,338
Contracts	833,652	-	833,652
Loan and Insurance Interest	259,924	-	259,924
Payroll	744,732	-	744,732
Repairs and Maintenance	266,532	-	266,532
Utilities	908,431	-	908,431
Operational Capital Improvements	43,695	-	43,695
Depreciation and Amortization	9,109	-	9,109
Gas Repair Project	491,750	-	491,750
Special Assessment	<u>318,634</u>	<u>-</u>	<u>318,634</u>
 Total Expenses	 <u>4,902,797</u>	 <u>-</u>	 <u>4,902,797</u>
 Excess of Revenues over Expenses	 325,507	 -	 325,507
 Fund Balance (Deficit) - Beginning of Year	 <u>(6,172,288)</u>	 <u>-</u>	 <u>(6,172,288)</u>
 Fund Balance (Deficit) - End of Year	 <u>\$ (5,846,781)</u>	 <u>\$ -</u>	 <u>\$ (5,846,781)</u>

The accompanying notes are an integral part of the financial statements.

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2016

	Operating Fund	Replacement Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Member Assessments Received	\$ 4,772,351	\$ -	\$ 4,772,351
Special Assessments Income Received	318,634	-	318,634
Interest Income Received	97	-	97
Application Fees Collected	8,320	-	8,320
Estoppel and Condo Questionnaire Income Received	7,400	-	7,400
Fob Key Income Collected	8,600	-	8,600
Late Fees Received	2,200	-	2,200
Laundry Income Received	11,296	-	11,296
Legal/Lien Fees Collected	15,208	-	15,208
Parking Income Collected - Contractor	10,211	-	10,211
Parking Income Collected - Monthly	28,338	-	28,338
Parking Income Collected - Stickers	26,548	-	26,548
Parking Income Collected - Valet	15,740	-	15,740
Rental Income Collected	23,287	-	23,287
Repair, Work Order and AC Filter Income Received	5,339	-	5,339
Storage Income Collected	34,720	-	34,720
Towel Income Collected	3,570	-	3,570
Other Income Collected	6,256	-	6,256
Security Deposits Collected	169,410	-	169,410
Cash Paid for Special Assessment Expenditures	(318,634)	-	(318,634)
Cash Paid for Operating Expenditures	<u>(4,596,621)</u>	<u>-</u>	<u>(4,596,621)</u>
Net Cash Provided by Operating Activities	<u>552,270</u>	<u>-</u>	<u>552,270</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal (Payments on) Loan	(480,905)	-	(480,905)
Principal (Payments on) Line of Credit	<u>(74,444)</u>	<u>-</u>	<u>(74,444)</u>
Net Cash (Used in) Financing Activities	<u>(555,349)</u>	<u>-</u>	<u>(555,349)</u>
Net (Decrease) in Cash and Cash Equivalents	<u>(3,079)</u>	<u>-</u>	<u>(3,079)</u>
Cash and Cash Equivalents - Beginning of Year	<u>1,311,658</u>	<u>-</u>	<u>1,311,658</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,308,579</u>	<u>\$ -</u>	<u>\$ 1,308,579</u>

The accompanying notes are an integral part of the financial statements.

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
 STATEMENT OF CASH FLOWS (Continued)
 For the Year Ended September 30, 2016

	Operating Fund	Replacement Fund	Total
Reconciliation of Excess of Revenues over Expenses to Net Cash Provided by Operating Activities:			
Excess of Revenues over Expenses	\$ 325,507	\$ -	\$ 325,507
Adjustments to Reconcile Excess of Revenues over Expenses to Net Cash Provided by Operating Activities:			
Bad Debt	(32,505)	-	(32,505)
Depreciation	8,905	-	8,905
Decrease (Increase) in Assets:			
Assessments Receivable	63,457	-	63,457
Prepaid Expenses	(4,260)	-	(4,260)
Prepaid Insurance	346,012	-	346,012
Other Assets	15,679	-	15,679
Increase (Decrease) in Liabilities:			
Accounts Payable and Accrued Expenses	(16,605)	-	(16,605)
Prepaid Maintenance	6,354	-	6,354
Insurance Loan Payable	(11,050)	-	(11,050)
Security Deposits	169,410	-	169,410
Deferred Special Assessment Revenue	(318,634)	-	(318,634)
Net Cash Provided by Operating Activities	\$ 552,270	\$ -	\$ 552,270

The accompanying notes are an integral part of the financial statements.

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

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

1. Organization – Condominium Association of Parker Plaza Estates, Inc. is a statutory condominium association incorporated as a not-for-profit corporation in the State of Florida in August 13, 1970. The Association is responsible for the operation and maintenance of the common property of Condominium Association of Parker Plaza Estates. Parker Plaza Estates is located in Hallandale Beach, Florida. The Association consists of 520 residential units, 9 recreational common area units, 3 commercial rental units and 1 unit serving as the Association office.
2. Fund Accounting – The Association uses fund accounting which requires that funds such as the operating fund and the fund designated for future major repairs and replacements, be classified separately for accounting and reporting purposes. Disbursements from the operating fund are generally at the discretion of the Board of Directors and property manager. Disbursements from the replacement fund may be made only for their designated purposes.
3. Use of Estimates in the Preparation of Financial Statement – 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.
4. Member Assessments – Member assessments are billed quarterly based upon their proportionate share of ownership and are recognized as revenue on a pro rata basis over the period covered by the billing. Member assessments are based upon estimates of amounts necessary to provide funds for the Association's operating expenses and future major repairs and replacements. Assessments receivable from members are reported at the outstanding balance due from the members. It is the Association's policy to retain legal counsel and place liens on the units of members whose assessments are delinquent. As of September 30, 2016, an allowance for doubtful accounts has been established. Any excess assessments at year end are retained by the Association for reduction of member assessments in future years.
5. Interest Income – The Board of Directors' policy is to allocate to the operating and replacement funds all interest earned on their respective cash accounts.
6. Income Taxes – In 2016, the Association plans to elect to file as a homeowners' association in accordance with Internal Revenue Service Code section 528. Under this section, the Association excludes from taxation exempt function income, which generally consists of revenue from assessments to owners. The Association's investment income and other nonexempt income are subject to tax at a rate of 30%, net of any applicable expenses.
7. Concentration of Credit Risk – The Association maintains its cash balances at several financial institutions. Accounts at each institution are secured by the Federal Deposit Insurance Corporation up to \$250,000. At September 30, 2016, the Association's uninsured cash balances total \$1,298,747. The Association has not incurred losses related to these investments.
8. Recognition of Assets – 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 property to which it has title valued over \$1,000 or generates cash flow and depreciates using the straight line method.
9. Cash and Cash Equivalents – For purposes of the September 30, 2016 balance sheet and statement of cash flows for the year then ended, the Association considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
 NOTES TO FINANCIAL STATEMENTS (Continued)
 September 30, 2016

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

10. Fair Value of Financial Instruments – The carrying amounts of cash, receivables, and payables approximate their fair values due to their short-term maturities.
11. Comprehensive Income – ASC 220 (formerly SFAS No. 130) requires “a full set of general-purpose financial statements to be expanded to include the reporting of comprehensive income.” Comprehensive income is comprised of two components, net income and other comprehensive income. For the year ended September 30, 2016, there were no items that qualify as comprehensive income.
12. Revenue Recognition – Regular assessments to members are recognized as revenue during the period for which they are assessed. Assessments received in advance of this period are reported as prepaid assessments on the balance sheet.

NOTE B – REPLACEMENT FUND

The Association's governing documents and Florida Statutes require that funds be accumulated for future major repairs and replacements. Florida Statutes requires the Association to calculate this replacement fund assessment by utilizing a formula based upon the estimated remaining useful lives and estimated replacement costs of the common property. The Association has not done this. Accumulated funds are to be held in separate savings accounts not available for expenditures for normal operations.

At the time of the annual meeting, the Association had not conducted a study to determine the remaining useful lives of the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. At the annual meeting, a majority of owners voted not to include funding for future major repairs and replacements in the annual budget for the year ended September 30, 2017. When replacement funds are needed to meet future needs for major repairs and replacements, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available. The effect on future assessments has not been determined at this time.

In December 2016, subsequent the audit year end and annual meeting, the Board of Directors had a reserve study conducted by professional engineers to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were based on future estimated replacement costs. The table included in the unaudited supplementary information on Future Major Repairs and Replacements is based on the study.

NOTE C – LAND, PROPERTY AND EQUIPMENT

The Association capitalized a recreational building and the associated land. These assets were depreciated using the straight line method. The assets are detailed as follows:

Recreational Building	\$ 975,000.00
Recreational Land	<u>975,000.00</u>
Total Cost	1,950,000.00
Accumulated Depreciation	<u>(975,000.00)</u>
Net	<u>\$ 975,000.00</u>

Depreciation expense was \$8,905 for the year ended September 30, 2016.

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
 NOTES TO FINANCIAL STATEMENTS (Continued)
 September 30, 2016

NOTE E – SPECIAL ASSESSMENT – 2014

At a meeting in December 2014, the Association voted to restrict \$1,375,000 of a settlement received from the Developer to fund a special assessment. Therefore the revenue related to the settlement income will be recognized to the extent of the expense amount incurred for the special assessment. Additionally, at a meeting in November, 2014, the Association voted to transfer a remaining balance on a previous special assessment of \$400 to the new 2014 special assessment.

The special assessment consists of modernizing six traction elevators and the replacement of the security and surveillance system. Subsequently, at a meeting in March, 2015, the Association voted to include the replacement of the Association's water heaters.

Activity on the special assessment was as follows for the year ended September 30, 2016

Amount allocated from Developer Settlement	\$	1,375,000
Balance transferred from prior Special Assessment		400
Special Assessment expense incurred for the year ended:		
September 30, 2015		(709,710)
September 30, 2016		(318,634)
Deferred Special Assessment at September 30, 2016	\$	<u>347,056</u>

NOTE F – WINDSTORM INSURANCE

The insurance policy for windstorm coverage renewed June 6, 2016. The deductible amount for named hurricane storms is estimated at \$2,490,477 which represents 3% of the insured value of the residential buildings, which is estimated to be \$82,879,800.

NOTE G – NOTE PAYABLE

February 2, 2015, the Association borrowed \$7,000,000 from Bank of America. The loan is being amortized over twelve (12) years at an interest rate of 3.64% with equal quarterly installments of \$181,153.

As of September 30, 2016, the loan balance is \$6,283,083.

Maturities of the debt for each of the next five years are as follows:

2017	\$	499,435
2018		518,137
2019		537,540
2020		557,668
2021		578,551
Thereafter		<u>3,591,752</u>
	\$	<u>6,283,083</u>

Interest expense was \$251,272 for the year ended September 30, 2016.

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2016

NOTE H – LEGAL MATTERS

The Association is involved in litigation with a unit owner, relating to a leak in the unit owner's unit. In April of 2016, the Association filed the Association's Answer to the Amended Complaint. The outcome of the civil action is currently unknown.

NOTE I – LINE OF CREDIT

The Association has available a line of credit with a financial institution for \$2,000,000. The unpaid principal balance under the loan is secured by assessments receivable and bears interest at the LIBOR Daily Floating Rate plus 170 basis points. Interest payments are due quarterly. The loan documents contain debt service coverage and liquidity covenants. At September 30, 2016, the Association met all requirements of the covenants. The balance outstanding was \$381,556 and available borrowings under the line of credit were \$1,618,444 at September 30, 2016.

NOTE J – SUBSEQUENT EVENT

Litigation with US Alliance Management Corporation, relating to breach of contract in connection with the termination of the security company's services to the Association was settled November 21, 2016 for a total of \$199,000. \$20,000 of the settlement payable was paid by the insurance carrier underwriters, with the remaining \$179,000 due from the Association and payable in twenty three (23) monthly installments of \$7,500 and one final payment of \$6,500 due December 15, 2018. The settlement stipulates after payment #6, the Association has the option to accelerate the remainder of payments, \$134,000, with a lump sum payment of \$130,000 due on or before July 15, 2017 to satisfy all debts. Should the Association choose the acceleration option, the lump sum payment provides for a \$4,000 discount.

A Civil Action was filed against the Association subsequent the year ended September 30, 2016 by Universal Property and Casualty Insurance Company on behalf of unit owners seeking \$14,875 in alleged damages related to emergency water shut-off procedures, including legal fees.

NOTE K – COMMITMENTS

The Association has entered into several contracts with various services providers to maintain the common property. These contracts include, but are not limited to, management services, pool cleaning, landscape and maintenance of common area grounds, and water service. Each contract differs in expiration, renewal and terms.

NOTE L – DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through January 24, 2017, the date that the financial statements were available to be issued.

NOTE M – UNCERTAINTIES FOR INCOME TAXES

Under federal and state income tax laws, an entity's income tax returns are subject to examination by the applicable taxing authorities. The Association has no income tax returns under examination by the Internal Revenue Service. However, the Association's Federal Income tax returns for 2014, 2015 and 2016 are subject to examination, generally for three years after they are filed.

SUPPLEMENTARY INFORMATION

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
 September 30, 2016
 (Unaudited)

The Board of Directors had a reserve study conducted by professional engineers in December 2016 to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were based on future estimated replacement costs.

The following table is based on the study and presents significant information about the components of common property:

Components	Remaining Estimated Useful Life	Estimated Current Replacement Cost	Balance September 30, 2015	Additions	Transfers/ Expenditures	Balance September 30, 2016	2017 Funding
Common Area Interiors	5-18	\$ 1,218,479	\$ -	\$ -	\$ -	\$ -	\$ 133,655
Mechanical/Electrical	0-27	3,102,220	-	-	-	-	1,072,114
Painting and Waterproofing	1-18	1,341,142	-	-	-	-	962,362
Pavement	8-12	71,954	-	-	-	-	7,038
Pool and Spa	3-20	973,434	-	-	-	-	79,620
Roofs	5	567,600	-	-	-	-	113,520
Security	2-11	187,090	-	-	-	-	25,291
Site Improvements	5-8	<u>26,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,950</u>
		<u>\$ 7,488,419</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,397,550</u>

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
SCHEDULE OF OPERATING EXPENSES
For the Year Ended September 30, 2016

	ACTUAL	BUDGET (UNAUDITED)	VARIANCE
ADMINISTRATIVE AND GENERAL			
Accounting	\$ 19,027	\$ 19,200	\$ (173)
Annual Fee - DBPR	2,080	2,080	-
Application and Screening Fees	3,870	3,000	870
Bad Debt	34,113	28,600	5,513
Bank Charges	1,244	2,500	(1,256)
Consulting Fees	11,943	15,000	(3,057)
Election Expense	2,830	1,000	1,830
Employee Gas	296	400	(104)
Insurance - All Risk	862,462	1,009,341	(146,879)
Insurance - Claims Deductible	500	3,000	(2,500)
Legal Fees - Unit Owners	15,208	40,000	(24,792)
Legal Fees - Association	27,121	25,000	2,121
License, Fees and Permits	6,691	2,500	4,191
Maintenance Fees - Unit 104	10,060	10,060	-
Meeting Catering Expense	464	1,000	(536)
New Hire Fees	1,890	1,000	890
Office Expense - Equipment	8,496	7,000	1,496
Office Expense - Kitchen	1,860	2,000	(140)
Office Expense - Soft	10,673	8,000	2,673
Postage and Delivery	3,916	3,000	916
Walkie Talkie Radios	1,594	1,500	94
	<u>1,026,338</u>	<u>1,185,181</u>	<u>(158,843)</u>
CONTRACTS			
Chiller	27,349	27,000	349
Copier Rental	2,477	2,500	(23)
Elevator	17,952	23,868	(5,916)
Fire Alarm	5,257	580	4,677
Housekeeping	177,510	178,000	(490)
Housekeeping - Overtime	954	2,000	(1,046)
Landscaping Contract	22,632	23,200	(568)
Pest Control	5,160	6,000	(840)
Pest Control - Landscaping	2,758	3,000	(242)
Security	347,938	345,000	2,938
Security - Overtime	6,201	14,000	(7,799)
Valet	152,469	152,000	469
Waste Removal	54,915	78,000	(23,085)
Waste Treatment	4,080	4,200	(120)
Window Contract	6,000	6,000	-
	<u>833,652</u>	<u>865,348</u>	<u>(31,696)</u>
LOAN AND INSURANCE INTEREST			
Interest on Loans	251,272	230,640	20,632
Insurance Interest	8,652	6,400	2,252
	<u>259,924</u>	<u>237,040</u>	<u>22,884</u>

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
SCHEDULE OF OPERATING EXPENSES (Continued)
For the Year Ended September 30, 2016

	ACTUAL	BUDGET (UNAUDITED)	VARIANCE
PAYROLL			
Payroll - Administrative	165,603	210,000	(44,397)
Payroll - Maintenance	380,218	371,000	9,218
Payroll - Pool	48,476	38,000	10,476
Payroll - Taxes	53,490	56,000	(2,510)
Health Insurance	65,901	72,000	(6,099)
Holiday Fund	9,101	9,000	101
Special Events	2,993	3,000	(7)
Workmens Compensation Insurance	18,950	12,000	6,950
	<u>744,732</u>	<u>771,000</u>	<u>(26,268)</u>
Total Payroll			
REPAIRS AND MAINTENANCE			
Air Conditioner	1,292	15,000	(13,708)
Annual Equipment Inspections	2,651	8,500	(5,849)
Chiller Repairs	5,277	1,500	3,777
Compactor Maintenance	-	2,500	(2,500)
Compactor Container	5,502	-	5,502
Doors	6,741	2,000	4,741
Electrical Repairs	4,635	12,000	(7,365)
Elevator Repairs	1,837	3,000	(1,163)
Equipment Maintenance	472	5,000	(4,528)
Fire Alarm System Repairs	-	1,500	(1,500)
Gate	6,247	3,500	2,747
Gym Maintenance	1,922	4,000	(2,078)
Key Fob	7,194	3,000	4,194
Landscaping	3,228	7,000	(3,772)
Parts and Supplies	126,671	131,800	(5,129)
Plumbing Repairs and Maintenance	55,507	35,000	20,507
Pool Equipment	9,475	8,000	1,475
Pool Repairs	-	4,500	(4,500)
Pool Attendant	1,598	16,000	(14,402)
Sprinkler	10,368	5,000	5,368
Structural Repair Labor	6,936	7,000	(64)
Uniforms	1,375	1,000	375
Water Damage Restoration	-	8,000	(8,000)
Miscellaneous	7,604	12,000	(4,396)
	<u>266,532</u>	<u>296,800</u>	<u>(30,268)</u>
Total Repairs and Maintenance			
UTILITIES			
Cable	216,302	222,800	(6,498)
Electricity	309,915	285,000	24,915
Gas Bulk	26,708	30,000	(3,292)
Gas Teco	15,207	15,000	207
Telephone	6,004	4,200	1,804
Water and Sewer	334,295	375,000	(40,705)
	<u>908,431</u>	<u>932,000</u>	<u>(23,569)</u>
Total Utilities			

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
 SCHEDULE OF OPERATING EXPENSES (Continued)
 For the Year Ended September 30, 2016

	ACTUAL	BUDGET (UNAUDITED)	VARIANCE
OPERATIONAL CAPITAL IMPROVEMENTS			
Basement-Lobbies Modernization	-	15,000	(15,000)
Board Contingency	10,101	85,800	(75,699)
Gym Project	27,695	-	27,695
Parking Deck Lights	5,899	9,211	(3,312)
Repair Concrete on Building Walls	-	20,000	(20,000)
Roof Repair	-	5,000	(5,000)
Sauna Repair	-	5,000	(5,000)
 Total Operational Capital Improvements	 <u>43,695</u>	 <u>140,011</u>	 <u>(96,316)</u>
 DEPRECIATION AND AMORTIZATION	 9,109	 -	 9,109
 GAS REPAIR PROJECT	 <u>491,750</u>	 <u>-</u>	 <u>491,750</u>
 TOTAL EXPENSES	 <u>4,584,163</u>	 <u>4,427,380</u>	 <u>156,783</u>
 SPECIAL ASSESSMENT EXPENSE	 318,634	 544,000	 (225,366)
 DEBT SERVICE			
Principal Payments on Debt	<u>555,349</u>	<u>513,360</u>	<u>41,989</u>
 NET DISBURSEMENTS	 <u>\$ 5,458,146</u>	 <u>\$ 5,484,740</u>	 <u>\$ (26,594)</u>