

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.

FINANCIAL STATEMENTS

For the Year Ended September 30, 2017

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.

FINANCIAL STATEMENTS

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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, 2017, 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, 2017, 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 disbursements on pages 12 through 14 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 11 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 10, 2018

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CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
BALANCE SHEET
SEPTEMBER 30, 2017

	Operating Fund	Replacement Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 400,467	\$ -	\$ 400,467
Cash - Escrow	932,015	-	932,015
Cash - Special Assessment	1,420,967	-	1,420,967
Assessments Receivable, Net of \$73,692			
Allowance for Doubtful Accounts	7,025	-	7,025
2017 Special Assessment Receivable	24,000	-	24,000
Unbilled 2017 Special Assessment	3,010,260	-	3,010,260
Cable Incentive Receivable	130,000	-	130,000
Insurance Claim Receivable	28,831	-	28,831
Land	975,000	-	975,000
Prepaid Expenses	13,998	-	13,998
Prepaid Insurance	352,010	-	352,010
Other Assets	4,784	-	4,784
	<u>\$ 7,299,357</u>	<u>\$ -</u>	<u>\$ 7,299,357</u>
Total Assets	<u>\$ 7,299,357</u>	<u>\$ -</u>	<u>\$ 7,299,357</u>

LIABILITIES AND FUND BALANCE

LIABILITIES			
Accounts Payable and Accrued Expenses	\$ 191,564	\$ -	\$ 191,564
Prepaid Maintenance Assessments	27,444	-	27,444
Insurance Payable	308,009	-	308,009
Line of Credit Payable	105,756	-	105,756
Loan Payable	5,783,516	-	5,783,516
Security Deposits	932,015	-	932,015
Settlement Payable	111,500	-	111,500
Deferred Cable Income	126,905	-	126,905
Deferred 2017 Special Assessment	4,454,400	-	4,454,400
Deferred 2014 Special Assessment	195,070	-	195,070
	<u>12,236,179</u>	<u>-</u>	<u>12,236,179</u>
Total Liabilities	12,236,179	-	12,236,179
Fund Balance (Deficit)	<u>(4,936,822)</u>	<u>-</u>	<u>(4,936,822)</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 7,299,357</u>	<u>\$ -</u>	<u>\$ 7,299,357</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, 2017

	Operating Fund	Replacement Fund	Total
REVENUES			
Member Assessments	\$ 4,702,540	\$ -	\$ 4,702,540
2017 Special Assessment Income	96,225	-	96,225
2014 Special Assessment Income	151,986	-	151,986
Interest Income	58	-	58
Application Fees	7,100	-	7,100
Cable Income	3,095	-	3,095
Estoppel and Condo Questionnaire	6,150	-	6,150
Fob Keys	5,100	-	5,100
Insurance Claim	28,831	-	28,831
Late Fees	3,150	-	3,150
Laundry Income	10,493	-	10,493
Legal/Lien Fees	7,244	-	7,244
Parking - Contractor	10,371	-	10,371
Parking - Monthly	18,993	-	18,993
Parking - Stickers	25,300	-	25,300
Parking - Valet	17,250	-	17,250
Rental Income	16,528	-	16,528
Repair, Work Orders and AC Filter Income	7,285	-	7,285
Storage Income	36,608	-	36,608
Towel Income	4,539	-	4,539
Other Income	<u>4,071</u>	<u>-</u>	<u>4,071</u>
Total Revenues	<u>5,162,917</u>	<u>-</u>	<u>5,162,917</u>
EXPENSES			
Administrative and General	713,980	-	713,980
Contracts	818,686	-	818,686
Loan and Insurance Interest	236,200	-	236,200
Payroll	776,574	-	776,574
Repairs and Maintenance	327,042	-	327,042
Utilities	933,621	-	933,621
Operational Capital Improvements	19,440	-	19,440
Amortization	204	-	204
Settlement Expense - US Security	179,000	-	179,000
2017 Special Assessment	96,225	-	96,225
2014 Special Assessment	<u>151,986</u>	<u>-</u>	<u>151,986</u>
Total Expenses	<u>4,252,958</u>	<u>-</u>	<u>4,252,958</u>
Excess of Revenues over Expenses	909,959	-	909,959
Fund Balance (Deficit) - Beginning of Year	<u>(5,846,781)</u>	<u>-</u>	<u>(5,846,781)</u>
Fund Balance (Deficit) - End of Year	<u>\$ (4,936,822)</u>	<u>\$ -</u>	<u>\$ (4,936,822)</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, 2017

	Operating Fund	Replacement Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Member Assessments Collected	\$ 4,692,269	\$ -	\$ 4,692,269
2017 Special Assessments Collected	1,516,365	-	1,516,365
Interest Income Collected	58	-	58
Application Fees Collected	7,100	-	7,100
Estoppel and Condo Questionnaire Income Collected	6,150	-	6,150
Fob Key Income Collected	5,100	-	5,100
Late Fees Collected	3,150	-	3,150
Laundry Income Collected	10,493	-	10,493
Legal/Lien Fees Collected	7,244	-	7,244
Parking Income Collected - Contractor	10,371	-	10,371
Parking Income Collected - Monthly	18,993	-	18,993
Parking Income Collected - Stickers	25,300	-	25,300
Parking Income Collected - Valet	17,250	-	17,250
Rental Income Collected	16,528	-	16,528
Repair, Work Order and AC Filter Income Collected	7,285	-	7,285
Storage Income Collected	36,608	-	36,608
Towel Income Collected	4,539	-	4,539
Other Income Collected	4,071	-	4,071
Security Deposits Collected	99,896	-	99,896
Cash Paid for Special Assessment Expenditures	(248,211)	-	(248,211)
Cash Paid for Operating Expenditures	<u>(4,020,322)</u>	<u>-</u>	<u>(4,020,322)</u>
Net Cash Provided by Operating Activities	<u>2,220,237</u>	<u>-</u>	<u>2,220,237</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal (Payments on) Loan	(499,567)	-	(499,567)
Principal (Payments on) Line of Credit	<u>(275,800)</u>	<u>-</u>	<u>(275,800)</u>
Net Cash (Used) in Financing Activities	<u>(775,367)</u>	<u>-</u>	<u>(775,367)</u>
Net Increase in Cash and Cash Equivalents	<u>1,444,870</u>	<u>-</u>	<u>1,444,870</u>
Cash and Cash Equivalents - Beginning of Year	<u>1,308,579</u>	<u>-</u>	<u>1,308,579</u>
Cash and Cash Equivalents - End of Year	<u>\$ 2,753,449</u>	<u>\$ -</u>	<u>\$ 2,753,449</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, 2017

	Operating Fund	Replacement Fund	Total
Reconciliation of Excess of Revenues over Expenses to Net Cash Provided by Operating Activities:			
Excess of Revenues over Expenses	\$ 909,959	\$ -	\$ 909,959
Adjustments to Reconcile Excess of Revenues over Expenses to Net Cash Provided by Operating Activities:			
Bad Debt	41,349	-	41,349
Decrease (Increase) in Assets:			
Assessments Receivable	1,470	-	1,470
2017 Special Assessments Receivable	(24,000)	-	(24,000)
Prepaid Expenses	(1,139)	-	(1,139)
Prepaid Insurance	2,188	-	2,188
Unbilled 2017 Special Assessment	(3,010,260)	-	(3,010,260)
Cable Incentive Receivable	(130,000)	-	(130,000)
Insurance Claim Receivable	(28,831)	-	(28,831)
Other Assets	61	-	61
Increase (Decrease) in Liabilities:			
Accounts Payable and Accrued Expenses	99,189	-	99,189
Prepaid Maintenance	(11,741)	-	(11,741)
Insurance Loan Payable	(268,723)	-	(268,723)
Security Deposits	99,896	-	99,896
Settlement Payable	111,500	-	111,500
Deferred Cable Income	126,905	-	126,905
Deferred 2017 Special Assessment Revenue	4,454,400	-	4,454,400
Deferred 2014 Special Assessment Revenue	(151,986)	-	(151,986)
Net Cash Provided by Operating Activities	<u>\$ 2,220,237</u>	<u>\$ -</u>	<u>\$ 2,093,332</u>

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

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

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, 2017, 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 2017, 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 one financial institution. Accounts are secured by the Federal Deposit Insurance Corporation up to \$250,000. At September 30, 2017, the Association's uninsured cash balances total \$2,605,920. 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, 2017 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, 2017

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, 2017, 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. Accumulated funds are to be held in separate savings accounts not available for expenditures for normal operations.

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 table included in the unaudited supplementary information on Future Major Repairs and Replacements is based on the study.

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, 2018. For that reason, and because actual expenditures may vary from estimated future expenditures and the variations may be material, 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 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.

The activity in the replacement fund was as follows:

<u>Components</u>	<u>Balance</u> <u>9/30/2016</u>	<u>Additions</u>	<u>Interest</u>	<u>Expenditures</u>	<u>Balance</u> <u>9/30/2017</u>
Common Area Interiors	\$ -	\$ -	\$ -	\$ -	\$ -
Mechanical/Electrical	-	-	-	-	-
Painting and Waterproofing	-	-	-	-	-
Pavement	-	-	-	-	-
Pool and Spa	-	-	-	-	-
Roofs	-	-	-	-	-
Security	-	-	-	-	-
Site Improvements	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
 NOTES TO FINANCIAL STATEMENTS (Continued)
 September 30, 2017

NOTE C – PROPERTY

The Association capitalized a recreational building and the associated land. These assets were depreciated using the straight line method. As of September 30, 2017 the recreational building was fully depreciated and the associated land value is \$975,000.

NOTE D – INSURANCE CLAIM – WATER LEAK DAMAGE

On June 26, 2017, the building was damaged by a water leak. Water Damage Restoration repairs were completed for a total of \$34,244. Insurance proceeds of \$28,831 were received November 2017, subsequent the year end. As of September 30, 2017, insurance proceeds of \$28,831 due to the association had been recorded as insurance claim receivable.

NOTE E – SETTLEMENT PAYABLE

During 2017, the Association settled litigation with US Alliance Management Corporation. Due to a signed confidentiality agreement between the parties, specific settlement details will not be disclosed. If there is a need for further information, the Board of Directors requests inquiries be directed to the Association’s management office or to an officer of the Board.

NOTE F – SPECIAL ASSESSMENT – 2014

At a meeting in December 2014, the Association voted to restrict \$1,375,000 of a settlement received from the Developer, GBP Regency, LLC, 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, 2017

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)
September 30, 2017	<u>(151,986)</u>
Deferred Special Assessment at September 30, 2017	<u>\$ 195,070</u>

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
 NOTES TO FINANCIAL STATEMENTS (Continued)
 September 30, 2017

NOTE G – SPECIAL ASSESSMENT – 2017

On May 4, 2017, the Association assessed \$4,550,000 to fund the concrete repair of the exterior of the building, including balconies, tile removal and waterproofing balcony floors, painting the exterior of the building, repair and refinish of the pool and jacuzzi and replacement of damaged portions of the upper deck. The assessment began on August 1, 2017 and is billed through August 1, 2019.

Unit owners had the option of paying the special assessment with a onetime payment in full or nine [9] quarterly installments. As of September 31, 2017, there are eight [8] quarterly installments remaining with the last installment due on August 1, 2019. The unbilled special assessment receivable, as of September 30, 2017, was \$3,010,260.

The total cumulative special assessment billing, including unbilled special assessment and late fees totals \$4,550,625. As of September 31, 2017, special assessment expenditures totaled \$96,225 with the remaining balance of \$4,454,400 included in deferred revenue.

NOTE H – 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, 2017, the Association met all requirements of the covenants. The balance outstanding was \$105,756 and available borrowings under the line of credit were \$1,894,244 at September 30, 2017.

NOTE I – 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, 2017, the loan balance is \$5,783,516.

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

2018		\$ 518,137
2019		537,540
2020		557,668
2021		578,551
2022		600,215
Thereafter		<u>2,991,405</u>
		<u>\$ 5,783,516</u>

Interest expense was \$228,082 for the year ended September 30, 2017.

NOTE J – 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.

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2017

NOTE K – CABLE INCENTIVE INCOME

During August 2017, the Association entered into a seven [7] year Services Agreement with a Company. As consideration, the Association received a per unit fee of \$250 (total \$130,000) during November 2017, subsequent the audit year. As of September 30, 2017, \$3,095 has been recorded as cable income and \$126,905 as deferred cable income and will be recognized as revenue during the term of agreement.

NOTE L – WINDSTORM INSURANCE

The insurance policy for windstorm coverage renewed June 6, 2017. The deductible amount for named hurricane storms is estimated at \$1,660,318 which represents 2% of the insured value of the residential buildings, which is estimated to be \$82,879,800.

NOTE M – DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through January 10, 2018 the date that the financial statements were available to be issued.

NOTE N – 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 2015, 2016 and 2017 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, 2017
 (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, 2017
Common Area Interiors	5-18	\$ 1,218,479	\$ -
Mechanical/Electrical	2-26	3,102,220	-
Painting and Waterproofing	0-18	1,341,142	-
Pavement	8-12	71,954	-
Pool and Spa	0-20	973,434	-
Roofs	5	567,600	-
Security	2-11	187,090	-
Site Improvements	5-8	<u>26,500</u>	<u>-</u>
		<u>\$ 7,488,419</u>	<u>\$ -</u>

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
SCHEDULE OF OPERATING DISBURSEMENTS
For the Year Ended September 30, 2017

	ACTUAL	BUDGET (UNAUDITED)	VARIANCE
ADMINISTRATIVE AND GENERAL			
Accounting	\$ 14,488	\$ 20,000	\$ (5,512)
Annual Fee - DBPR	2,080	2,080	-
Application and Screening Fees	2,105	3,000	(895)
Bad Debt	41,349	55,000	(13,651)
Bank Charges	1,428	1,200	228
Consulting Fees	9,435	35,000	(25,565)
Election Expense	24,828	3,000	21,828
Employee Gas	758	300	458
Insurance - All Risk	522,048	745,000	(222,952)
Insurance - Claims Deductible	1,000	2,500	(1,500)
Internet/Email	4,374	-	4,374
Legal Fees - Unit Owners	7,244	20,500	(13,256)
Legal Fees - Association	25,369	25,000	369
License, Fees and Permits	7,936	5,000	2,936
Maintenance Fees - Unit 104	10,060	10,060	-
Meeting Catering Expense	882	500	382
New Hire Fees	218	2,000	(1,782)
Office Expense - Equipment	21,017	8,500	12,517
Office Expense - Kitchen	2,267	1,500	767
Office Expense - Soft	9,563	8,500	1,063
Postage and Delivery	4,757	2,500	2,257
Walkie Talkie Radios	774	1,500	(726)
Total Administrative and General	713,980	952,640	(238,660)
CONTRACTS			
Chiller	27,945	27,500	445
Copier Rental	3,157	2,920	237
Elevator	18,266	4,000	14,266
Fire Alarm	5,257	5,300	(43)
Housekeeping	169,969	178,000	(8,031)
Housekeeping - Overtime	773	1,000	(227)
Landscaping Contract	22,632	23,000	(368)
Pest Control	6,213	6,000	213
Pest Control - Landscaping	1,719	2,300	(581)
Security	364,218	347,500	16,718
Security - Overtime	13,618	8,000	5,618
Valet	145,528	154,000	(8,472)
Waste Removal	28,811	29,420	(609)
Waste Treatment	4,080	4,100	(20)
Window Contract	6,500	6,000	500
Total Contracts	818,686	799,040	19,646
LOAN AND INSURANCE INTEREST			
Interest on Loans	228,082	213,440	14,642
Insurance Interest	8,118	8,500	(382)
Total Loan and Insurance Interest	236,200	221,940	14,260

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
SCHEDULE OF OPERATING DISBURSEMENTS (Continued)
For the Year Ended September 30, 2017

	ACTUAL	BUDGET (UNAUDITED)	VARIANCE
PAYROLL			
Payroll - Administrative	154,456	225,000	(70,544)
Payroll - Maintenance	423,453	427,000	(3,547)
Payroll - Pool	47,123	50,000	(2,877)
Payroll - Taxes	51,389	63,100	(11,711)
Health Insurance	61,781	83,000	(21,219)
Holiday Fund	9,376	9,500	(124)
Special Events	4,907	6,000	(1,093)
Workmen's Compensation Insurance	24,089	18,000	6,089
Total Payroll	776,574	881,600	(105,026)
REPAIRS AND MAINTENANCE			
Air Conditioner	17,294	15,000	2,294
Annual Equipment Inspections	6,923	5,000	1,923
Chiller Repairs	28,548	1,500	27,048
Compactor Maintenance	-	7,000	(7,000)
Compactor Container	7,669	-	7,669
Doors	4,268	9,000	(4,732)
Electrical Repairs	145	12,000	(11,855)
Elevator Repairs	-	3,000	(3,000)
Equipment Maintenance	3,385	2,000	1,385
Fire Alarm System Repairs	2,379	1,500	879
Gate	4,472	7,800	(3,328)
Gym Maintenance	3,753	4,000	(247)
Key Fob	1,578	9,000	(7,422)
Landscaping	3,737	6,000	(2,263)
Parts and Supplies	129,986	121,000	8,986
Plumbing Repairs and Maintenance	52,616	35,000	17,616
Pool Equipment	5,727	8,000	(2,273)
Pool Repairs	-	4,500	(4,500)
Sprinkler	8,067	10,000	(1,933)
Structural Repair Labor	1,400	7,000	(5,600)
Uniforms	916	1,700	(784)
Water Damage Restoration	34,244	8,000	26,244
Miscellaneous	9,935	6,000	3,935
Total Repairs and Maintenance	327,042	284,000	43,042
UTILITIES			
Cable	183,364	223,500	(40,136)
Electricity	339,074	312,000	27,074
Gas Bulk	23,293	30,000	(6,707)
Gas Teco	13,211	15,000	(1,789)
Telephone	5,900	6,500	(600)
Water and Sewer	368,779	380,500	(11,721)
Total Utilities	933,621	967,500	(33,879)

CONDOMINIUM ASSOCIATION OF PARKER PLAZA ESTATES, INC.
 SCHEDULE OF OPERATING DISBURSEMENTS (Continued)
 For the Year Ended September 30, 2017

	ACTUAL	BUDGET (UNAUDITED)	VARIANCE
OPERATIONAL CAPITAL IMPROVEMENTS			
Board Contingency	14,718	109,280	(94,562)
Parking Deck Lights	147	9,300	(9,153)
Repair Concrete on Building Walls	-	15,000	(15,000)
Roof Repair	-	5,000	(5,000)
Sauna Repair	4,575	45,000	(40,425)
Swimming Pool Project	-	100,000	(100,000)
Total Operational Capital Improvements	<u>19,440</u>	<u>283,580</u>	<u>(264,140)</u>
AMORTIZATION	204	-	204
SETTLEMENT EXPENSE - US SECURITY	179,000	-	179,000
2017 SPECIAL ASSESSMENT EXPENSE	96,225	-	96,225
2014 SPECIAL ASSESSMENT EXPENSE	<u>151,986</u>	<u>-</u>	<u>151,986</u>
TOTAL EXPENSES	<u>4,252,958</u>	<u>4,390,300</u>	<u>(137,342)</u>
DEBT SERVICE			
Principal Payments on Debt	<u>555,349</u>	<u>522,560</u>	<u>32,789</u>
NET DISBURSEMENTS	<u>\$ 4,808,307</u>	<u>\$ 4,912,860</u>	<u>\$ (104,553)</u>