

**WEST BAY AT JONATHAN'S LANDING  
CONDOMINIUM ASSOCIATION, INC.**

**(A Not-For-Profit Corporation)**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

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# FRIEDMAN, FELDMESSER & KARPELES CPA LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Kenneth R. Friedman, CPA  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
West Bay at Jonathan's Landing Condominium  
Association, Inc.  
Jupiter, Florida

We have audited the accompanying balance sheet of West Bay at Jonathan's Landing Condominium Association, Inc., as of December 31, 2022, 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.

### Management's Responsibility 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; 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 of America. 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITORS' REPORT  
(CONTINUED)**

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Bay at Jonathan's Landing Condominium Association, Inc., as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles in the United States of America.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplemental Schedule of Operating Fund Revenues and Expenses - Budget and Actual on pages 13-14 is presented for the 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 the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements of the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that 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 15 of common property be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of 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.

*Friedman, Feldmesser & Karpeles, CPA, LLC*

Friedman, Feldmesser & Karpeles, CPA, LLC  
Jupiter, Florida  
May 8, 2023

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**

*Balance Sheet  
as of December 31, 2022*

	<b>2022</b>		
	<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Totals</b>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 196,794	\$ 427,928	\$ 624,722
Prepaid insurance	72,574	-	72,574
Interfund balance	4,632	(4,632)	-
<b>Total assets</b>	<b>\$ 274,000</b>	<b>\$ 423,296</b>	<b>\$ 697,296</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
Liabilities:			
Accounts payable and accrued expenses	\$ 8,695		\$ 8,695
Insurance payable	55,572		55,572
Prepaid assessments	82,001	-	82,001
Note Payable	-	360,167	360,167
Total liabilities	146,268	360,167	506,435
Fund balances:			
Fund balances	127,732	63,129	190,861
<b>Total liabilities and fund balances</b>	<b>\$ 274,000</b>	<b>\$ 423,296</b>	<b>\$ 697,296</b>

*See accompanying notes to the financial statements*

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**

*Statement of Revenues, Expenses and Changes in Fund Balances*

*for the Year Ended December 31, 2022*

	<b>2022</b>		
	<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Totals</b>
<b>Revenues:</b>			
Member assessments	\$ 689,000	\$ 195,000	\$ 884,000
Interest income	215	481	696
Application fees	1,400	-	1,400
<b>Total revenues</b>	<u>690,615</u>	<u>195,481</u>	<u>886,096</u>
<b>Expenses:</b>			
Administrative	278,994	-	278,994
Landscaping	158,094	-	158,094
Repairs and maintenance	121,893	-	121,893
Utility	14,878	-	14,878
Replacement fund expenditures	-	39,518	39,518
<b>Total expenses</b>	<u>573,859</u>	<u>39,518</u>	<u>613,377</u>
Excess of revenues over expenses	116,756	155,963	272,719
Fund balances, beginning of year	121,533	(203,391)	(81,858)
Interfund transfer	(110,557)	110,557	-
<b>Fund balances, end of year</b>	<u><u>\$ 127,732</u></u>	<u><u>\$ 63,129</u></u>	<u><u>\$ 190,861</u></u>

*See accompanying notes to these financial statements.*

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**

*Statement of Cash Flows  
for the Year Ended December 31, 2022*

	<b>2022</b>		
	<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Totals</b>
<b>Cash flows provided by (used in) operating activities:</b>			
Member assessments collected	\$ 703,801	\$ 195,000	\$ 898,801
Interest received	215	481	696
Application fee income	1,400	-	1,400
Cash paid to suppliers for goods, services and major repairs and replacements	(561,980)	(39,518)	(601,498)
Net cash provided by operating activities	<u>143,436</u>	<u>155,963</u>	<u>299,399</u>
<b>Cash flows provided by (used in) financing activities:</b>			
Principal payments on note payable	-	(86,638)	(86,638)
Interfund borrowing	(109,688)	109,688	-
Net cash provided by (used in) financing activities	<u>(109,688)</u>	<u>23,050</u>	<u>(86,638)</u>
Net increase in cash and cash equivalents	33,748	179,013	212,761
Cash and cash equivalents, beginning of year	<u>163,046</u>	<u>248,915</u>	<u>411,961</u>
<b>Cash and cash equivalents, end of year</b>	<b><u>\$ 196,794</u></b>	<b><u>\$ 427,928</u></b>	<b><u>\$ 624,722</u></b>

*(continued)*

*See accompanying notes to these financial statements.*

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**

*Statement of Cash Flows (Continued)  
for the Year Ended December 31, 2022*

	<b>2022</b>		
	<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Totals</b>
<b>Reconciliation of excess of revenues over (under) expenses to net cash provided by (used in) operating activities:</b>			
Excess of revenues over (under) expenses	\$ 116,756	\$ 155,963	\$ 272,719
Adjustments to reconcile excess of revenues over (under) expenses to net cash provided by (used in) operating activities:			
Changes in assets and liabilities:			
Assessments receivable	1,500	-	1,500
Prepaid insurance	(10,683)	-	(10,683)
Accounts payable and accrued expenses	(1,508)	-	(1,508)
Insurance payable	24,070	-	24,070
Prepaid assessments	13,301	-	13,301
<b>Net cash provided by operating activities</b>	<b>\$ 143,436</b>	<b>\$ 155,963</b>	<b>\$ 299,399</b>

*See accompanying notes to these financial statements.*



**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of West Bay at Jonathan's Landing Condominium Association, Inc. (the Association) is presented to assist in understanding the Association's financial statements. The financial statements and notes are representations of the Association's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied to the preparation of the financial statements.

*Organization*

The West Bay at Jonathan's Landing Condominium Association, Inc. a Florida not-for-profit corporation, was incorporated on July 28, 1988, under the laws of the State of Florida as a not-for-profit corporation for the purpose of administering and operating the common property located in Jupiter, Florida, in accordance with the terms of Florida Statute Chapter 718 and the provisions of the Declaration of Condominium. The Association consists of 130 residential units.

*Basis of Accounting*

The Association follows the accrual basis of accounting. Member Assessments are recorded as revenue when due and uncollected amounts are recorded as assessments receivable. Expenses are recorded in the period when incurred and unpaid expenses are recorded as accounts payable and accrued expenses.

*Fund Accounting*

The Association is a not-for-profit organization which employs the fund method of accounting in order to properly account for restrictions on the expenditures resulting from actions of the Board of Directors, the Association voting membership, or applicable Florida Statute. The financial statements segregate the accounting for such funds as either Operating or Replacement Funds. At the end of the year, excess funds are retained by the Fund generating such excess during the year.

*The Operating Fund* – Reflects the operating assessments paid by unit owners to meet the regular, recurring costs of operation. Expenses of this fund are limited to those connected with the day-to-day operations.

*The Replacement Fund* – is composed of all capital assessments paid by unit owners to fund future replacements, major repairs and purchases of additional commonly owned assets. Expenses from this fund are restricted to those items for which assessments were levied.

*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 reported period. Actual results could differ from those estimates.

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (CONTINUED)**

*Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Association considers money market accounts and all highly liquid investments purchased with a maturity of three months or less (if any) to be cash equivalents.

*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 statement because those properties are owned by the individual unit owners in common and not by the Association. Expenditures made for furnishings, improvements, and equipment used for maintenance and operating of the common elements with individual costs exceeding \$5,000 are capitalized and depreciated using the straight-line method of depreciation over a 10-year period. Items with individual costs of \$5,000 or less are expensed in the current period. At year-end the Association capitalized property and equipment was zero.

During the year ended December 31, 2022, the Association did not have any additions or disposals of property and equipment and recognized no depreciation expense.

*Revenue Recognition*

Under Topic 606, revenue is recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the considerations we expect to be entitled to in exchange for those goods or services. The Association derives its revenue from operating assessments, reserve assessments, and other ancillary sources. The Association has applied FASB ASC 606-10-10-4 since all contracts with its customers have similar characteristics and the Association expects that the effects on the financial statements of applying this guidance would not differ materially from applying the guidance to the individual contracts.

The Association has identified the following performance obligations:

Operating assessments – the performance obligation is the maintenance and management of the common area property and is met on a periodic basis throughout the year. Operating assessments revenue is recognized on a periodic basis, as billed, and it is probable it will be collected.

Reserve assessments – the performance obligation is the expenditure of the assessed funds for the intended purpose. Reserve assessments revenue is recognized when the related expenditures are made.

Other ancillary revenues – the performance obligation is delivery of the underlying services. Revenue is recognized as the services are rendered.

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (CONTINUED)**

In evaluating whether collectability of an amount of consideration is probable, the Association must consider the customer's (owner's) ability and intention to pay that amount of consideration when it is due. In instances where the Association's collection of fees is not probable (delinquent owners, foreclosures, etc.), it cannot recognize revenue. The Association records increases in contract liabilities when collection is not probable; it records decreases to contract liabilities when collection becomes probable or the contract liability ceases to exist.

*Contract Liabilities (assessments receivable)*

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract asset is recorded when the Association has the right to receive payment in the future upon the satisfaction of the performance obligations.

*Member Assessments*

Each homeowner is assessed a quarterly maintenance fee as determined by the Board of Directors based on an annual budget and billed in advance. The member assessments shall be used for payment of the operation, maintenance, and management of the Association and the common property. Additionally, the Association has the authority and power to levy and collect special assessments as determined by the Board of Directors and unit owners. The Association's policy is to retain legal counsel and place liens on units of members whose assessments are delinquent. Any excess assessments at year-end are retained by the Association for use in the following year. Prepaid maintenance assessments represent fees paid by the members in anticipation of the due date. These assessments will be recognized as revenue in future periods. The allowance for doubtful accounts is computed using the aging of accounts receivable method.

*Income Taxes*

The Association may elect, on an annual basis, to file its Federal income tax return as a residential condominium association or as a regular corporation. Residential condominium associations pay tax only on non-exempt income, such as interest and other non-pro-rata revenues less related expenses. The Association filed its 2022 Federal tax return on Form 1120-H under Section 528 of the Internal Revenue Code.

The Association follows the reporting and disclosure guidance for uncertainty in income taxes as defined in FASB ASC 740. The financial statement effects of a tax position taken or expected to be taken are recognized in the financial statement when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. As of December 31, 2022, the Association had no uncertain tax positions that qualify for recognition or disclosure in the financial statements. Generally, the Internal Revenue Service may review the returns for the past three years.

*Interest Earned*

The Association's policy is to allocate interest earned to the fund that holds the bank account.

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (CONTINUED)**

*Subsequent Events*

The subsequent events have been evaluated through May 8, 2023, the date the financial statements were available to be issued.

*Leases*

In February 2016, the FASB issued ASU No. 2016-02, Leases. The standard will affect all entities that lease assets and will require lessees to recognize a lease liability and the right-of-use asset for all leases (except short-term leases that have a duration of less than one year) as of the date on which the lessor makes the underlying asset available to the lessee. For non-public entities, such as the Association, the new standard is effective for annual periods beginning after December 15, 2020. If applicable, the Association will recognize right-of-use assets and related lease liabilities on the balance sheet for all material lease arrangements with terms longer than 12 months. For leases with terms of less than 12 months, the Association has elected to continue its existing policy to not record the lease on the Balance Sheet.

**NOTE 2 - CONCENTRATION OF CREDIT RISK**

As of December 31, 2022, the Association had cash and cash equivalents with one financial institution aggregating \$624,722. Included in that total, the Association had \$97,439 of Operating Fund monies and \$302,910 of Replacement Fund monies in an Insured Cash Sweep (ICS) service with their financial institution which reallocates the account balances and places those funds in excess of the Federal Deposit Insurance Corporation ("FDIC") maximum coverage amount of \$250,000 with other banks within the ICS network. However, the Association maintained a cash and cash equivalent balance in one of the ICS banks which exceeded the Federal Deposit Insurance Corporation ("FDIC") limit of \$250,000 by \$2,366 as of December 31, 2022. The Association places its cash and cash equivalents with stable, high-quality financial institutions. The Association has not experienced any losses related to these cash and cash equivalents balances and believes it is not exposed to any significant risk.

Assessment Receivable balances at December 31, 2022 totaled, \$0. The Association's policy is to refer delinquent assessments to an attorney for collection. The Association has also implemented a policy to initiate foreclosure action on delinquent accounts. The Association uses the aging method to estimate the allowance for doubtful accounts, which was \$-0- as of December 31, 2022.

**NOTE 3 – FAIR VALUE OF FINANCIAL INSTRUMENTS**

The carry value of Cash, Certificates of Deposit, Assessments Receivable, net of the Allowance for Doubtful Accounts, Prepaid Expenses, Accounts Payable, Prepaid Assessments and Deferred Revenues approximates fair value due to the short-term maturities of these financial instruments.

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 4 – INSURANCE PAYABLE**

On May 4, 2021, the Association borrowed \$198,885 from a financing company to cover the cost of the property insurance premiums. The note required an initial down payment of \$18,072 with the balance due in eleven installments of \$18,541 which includes interest at a rate of 4.35% beginning June 1, 2022 with the final payment due April 1, 2023. The notes are collateralized by an assignment of general and special assessments. As of December 31, 2022, the balance payable on the note is \$55,572.

**NOTE 5– NOTE PAYABLE**

On March 14, 2018, the Association borrowed \$625,000 from Valley National Bank, N.A. to fund costs associated with a roof replacement project. The note was payable in 18 monthly installments commencing on April 14, 2018 of interest only during the construction phase. Effective October 14, 2019, the note was converted to a 7 year note payable. The note matures on September 14, 2026 and calls for 83 monthly installments of principal and interest totaling \$8,975, bearing interest at 5.4%. On February 14, 2021, the Association refinanced the loan to reduce the interest rate from 5.4% to 4.25%, the remaining terms of the loan were unchanged. The note is collateralized by the assignment of the rights to collect on the Association's maintenance assessments, annual dues and fees and any special assessments levied. As of December 31, 2022, the outstanding balance on the note payable is \$360,167.

Future minimum principal maturities are as follows:

2023	\$ 90,446
2024	94,390
2025	98,570
2026	<u>76,761</u>
	<u>\$ 360,167</u>

For the year ended December 31, 2022, the Association incurred and paid interest in the amount of \$17,553, which was allocated to the Replacement Fund.

**NOTE 6 – FUTURE MAJOR REPAIRS AND REPLACEMENTS**

During 2019, the Board of Directors engaged an outside firm to conduct an independent reserve study to estimate the remaining useful lives and the replacement costs of the components of common property for the purpose of determining the appropriate level of funding necessary for the maintenance, repair and replacements of such components of common property. The reserve study was updated in 2022. Such information, which is included in the unaudited supplementary information on future major repairs and replacements and is based on the updated study.

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 6 – FUTURE MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)**

The Association is accumulating funds for future major repairs and replacements based on estimates and assumptions utilized in the reserve study. Actual expenditures may vary from the estimated amounts and the variations may be material. If additional funds are needed, the Association has the right to increase assessments, delay replacement until funds are available, borrow funds, or pass a special assessment.

The following table presents the activity of the significant components of reserves as of December 31, 2022:

Components	Contract Liabilities and Fund Balance (Deficit) 1/1/2022	Assessments	Interest	Expenses	Interfund Transfer	Contract Liabilities and Fund Balance (Deficit) 12/31/2022
Pooled	\$ (203,391)	\$ 195,000	\$ 481	\$ (39,518)	\$ 110,557	\$ 63,129
	<u>\$ (203,391)</u>	<u>\$ 195,000</u>	<u>\$ 481</u>	<u>\$ (39,518)</u>	<u>\$ 110,557</u>	<u>\$ 63,129</u>

Summary of Expenses:

Pool Furniture Repair	\$ 3,728
Concrete Repairs	8,894
Street Light Replacement	9,343
Loan Interest	17,553
	<u>\$ 39,518</u>

Interest revenue in the table above represents interest income collected in connection with interest earned on cash balances at financial institutions.

In 2018, the Board of Directors adopted the pooled or cash flow method for the funding of the common area components. The Association funded reserves in the amount of \$195,000 in 2022. The 2023 approved budget includes a provision to fund the Replacement Fund in the amount of \$238,900 while the fully funded amount as per the Reserve Study is \$195,313. During 2022, the Association transferred \$110,557 from the operating fund to the Replacement Fund to cover the principal and interest payment portions of the loan payable.

Pursuant to FASB ASC 606, the Association recognizes Replacement Fund revenue from members as the related performance obligations are satisfied. For the year ended December 31, 2022, the Association recognized \$195,000 of member assessment revenue.

**NOTE 7 – COMMITMENTS AND CONTINGENCIES**

The Association has contracted annually with a property management company to provide management and maintenance services. In addition, the Association has additional contract services in place for accounting, irrigation maintenance and landscaping services. These contracts have different expiration dates and renewal terms.

## **SUPPLEMENTARY INFORMATION**

**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**

*Schedule of Operating Fund Revenues and Expenses - Budget and Actual  
for the Year Ended December 31, 2022*

	<b>Budget (Compiled)</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues:</b>			
Member assessments	\$ 689,003	\$ 689,000	\$ (3)
Interest income	720	215	(505)
Application fees	1,000	1,400	400
<b>Total revenues</b>	<b>690,723</b>	<b>690,615</b>	<b>(108)</b>
<b>Expenses:</b>			
<b>Administrative:</b>			
Property management	20,000	19,130	870
Accounting	4,700	4,500	200
Background	1,000	480	520
Division fees	600	520	80
Engineering and legal	7,500	4,868	2,632
Audit and review	4,500	4,300	200
Office, postage and printing	7,000	4,058	2,942
Fees and dues	175	-	175
Insurance-property	210,400	241,138	(30,738)
<b>Total administrative</b>	<b>255,875</b>	<b>278,994</b>	<b>(23,119)</b>
<b>Operation:</b>			
<b>Landscaping</b>			
Landscape maintenance	102,600	102,352	248
Landscape extras	20,000	14,813	5,187
Irrigation repairs	15,000	17,196	(2,196)
Mulch	16,000	-	16,000
Tree trimming and removal	20,000	23,733	(3,733)
	<b>173,600</b>	<b>158,094</b>	<b>15,506</b>
<b>Repair and maintenance:</b>			
Repairs and Service	30,000	19,608	10,392
Street lights, bulb, and stands	1,000	2,024	(1,024)
Pool repairs	2,500	-	2,500
Building repairs	35,000	29,970	5,030
Wood repairs	2,500	3,803	(1,303)
Roof repairs	20,000	29,948	(9,948)
Subtotal- balance forward	<b>91,000</b>	<b>85,353</b>	<b>5,647</b>

*(continued)*

*See independent auditors' report.*



**WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.**

*Schedule of Operating Fund Revenues and Expenses - Budget and Actual (Continued)*

*for the Year Ended December 31, 2022*

	<b>Budget (Compiled)</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Repair and maintenance (continued):</b>			
Balance forwarded	91,000	85,353	5,647
Street light cleaning	1,000	974	26
Community pest control	21,100	16,093	5,007
Pool maintenance	6,125	10,799	(4,674)
Pool janitorial	3,000	3,237	(237)
Pool propane	4,200	562	3,638
Pool health department	400	475	(75)
Pressure clean walkways	4,000	4,400	(400)
Contingency	10,000	-	10,000
<b>Total repair and maintenance</b>	<b>140,825</b>	<b>121,893</b>	<b>18,932</b>
<b>Utility:</b>			
Electric	10,000	13,536	(3,536)
Water and sewer	1,500	1,342	158
<b>Total utility</b>	<b>11,500</b>	<b>14,878</b>	<b>(3,378)</b>
<b>Total expenses</b>	<b>581,800</b>	<b>573,859</b>	<b>7,941</b>
<b>Excess of revenues over expenses</b>	<b>\$ 108,923</b>	<b>\$ 116,756</b>	<b>\$ 7,833</b>
<b>Excess to fund principal and interest loan payment</b>	<b>\$ 104,200</b>	<b>\$ 104,191</b>	<b>\$ (9)</b>

*See independent auditors' report.*

WEST BAY AT JONATHAN'S LANDING CONDOMINIUM ASSOCIATION, INC.  
 SUPPLEMENTARY INFORMATION  
 FUTURE MAJOR REPAIRS AND REPLACEMENTS  
 DECEMBER 31, 2022  
 (UNAUDITED)

The Association is accumulating funds for future major repairs and replacements based on estimates and assumptions utilized in a Reserve Study. Actual expenditures may vary from the estimated amounts and the variations may be material. If additional funds are needed, the Association has the right to increase assessments, delay replacement until funds are available, borrow funds, or pass a special assessment.

The following information is based on a study conducted in August 2022 and presents significant information about the components of common property:

The proposed 2023 budget provides for partial funding of the pooled reserves in the amount of \$238,900.

Component	Estimated Useful Life (Years)	Estimated Remaining Useful Life (Years)	Estimated Replacement Cost	Contract Liabilities and Fund Balance (Deficit) December 31, 2022	Approved Budgeted Funding 2023
Pooled:					
Paving	20	0	\$ 182,625	\$ -	\$ -
Sign and monument	20	12	75,000	-	-
Street Lights - replace	30	15	250,250	-	-
Street lights bases - repair	1	0	5,400	-	-
Street Lights - LED conversion		0-6	45,500	-	-
Boardwalk - resurface	20	7	63,550	-	-
Boardwalk - rebuild	40	27	222,400	-	-
Mailboxes - replace	20	7	18,100	-	-
Paint buildings	7	5	184,600	-	-
Roof clean	3	1	24,850	-	-
Roof replacement	25	20	2,733,500	-	-
Irrigation pumps	15	0	35,000	-	-
Electric meters	0	0	75,000	-	-
Remodel pool common area	20	2	10,370	-	-
Remodel pool bathroom	20	17	15,000	-	-
Pool deck resurface	30	8	66,000	-	-
Pool deck seal	5	0	17,600	-	-
Pool furniture	8	3	17,300	-	-
Pool fence	30	8	3,170	-	-
Resurface pools	12	8	32,750	-	-
Pool heaters	8	0	13,100	-	-
Pool equipment	5	0	4,915	-	-
Repair trip hazards	4	1	15,338	-	-
Pooled reserves		-		63,129	238,900
			<u>\$ 4,111,318</u>	<u>\$ 63,129</u>	<u>\$ 238,900</u>

See independent auditors' report.