

**Shipyards Condominium
Association, Inc.**

**FINANCIAL STATEMENTS (AND
SUPPLEMENTARY INFORMATION)**

December 31, 2020



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

Shipyard Condominium Association, Inc.
Table of Contents
December 31, 2020

REPORT

Independent Auditors' Report	1
------------------------------------	---

FINANCIAL STATEMENTS

Balance Sheet.....	4
--------------------	---

Statement of Revenue, Expenses and Changes in Fund Balance	5
--	---

Statement of Cash Flows	6
-------------------------------	---

Notes to Financial Statements	7
-------------------------------------	---

SUPPLEMENTARY INFORMATION

Schedule of Changes in Accumulated Funds for Future Major Repairs and Replacements	15
--	----

Schedule of Operating Fund Revenue and Expenses – Budget and Actual.....	16
--	----

Supplementary Information on Future Major Repairs and Replacements (Unaudited)	17
--	----



Carr, Riggs & Ingram, LLC
Certified Public Accountants
500 Grand Boulevard
Suite 210
Miramar Beach, Florida 32550

(850) 837-3141
(850) 654-4619 (fax)
CRLcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Members of
Shipyards Condominium Association, Inc.
Key West, Florida

Opinion

We have audited the accompanying financial statements of Shipyards Condominium Association, Inc., which comprise the balance sheet as of December 31, 2020, and the related statements of revenue, expenses and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Shipyards Condominium Association, Inc. as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further describe in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Shipyards Condominium Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Shipyards Condominium Association, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and

therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Shipyard Condominium Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Concluded whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Shipyard Condominium Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Shipyard Condominium Association, Inc.'s 2019 financial statements, and our report dated April 22, 2020, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of changes in accumulated funds for future major repairs and replacements and schedule of operating fund revenue and expenses – budget and actual are presented for purposes of additional analysis and are 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 17 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida
March 12, 2021

Shipyard Condominium Association, Inc.
Balance Sheet

<i>December 31,</i>	2020			2019
	Operating Fund	Replacement Fund	Total	Total (For Comparative Purposes)
Assets				
Cash	\$ 355,240	\$ 894,055	\$ 1,249,295	\$ 1,217,821
Certificates of deposit	135,638	379,333	514,971	269,276
Accounts receivable	3,260	-	3,260	6,648
Prepaid expenses	257,840	-	257,840	229,715
Utility deposits	1,767	-	1,767	1,767
Interfund balance	4,692	(4,692)	-	-
Total assets	\$ 758,437	\$ 1,268,696	\$ 2,027,133	\$ 1,725,227
Liabilities and Fund Balance				
Liabilities				
Accounts payable	\$ 27,392	\$ -	\$ 27,392	\$ 22,746
Performance obligation	-	1,268,696	1,268,696	1,021,634
Prepaid assessments	61,062	-	61,062	84,187
Total liabilities	88,454	1,268,696	1,357,150	1,128,567
Fund balance	669,983	-	669,983	596,660
Total liabilities and fund balance	\$ 758,437	\$ 1,268,696	\$ 2,027,133	\$ 1,725,227

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

Shipyards Condominium Association, Inc.
Statement of Revenue, Expenses and Changes in Fund Balance

<i>For the year ended December 31,</i>	2020			2019	
	Operating Fund	Replacement Fund	Total	Total (For Comparative Purposes)	
Revenue					
Regular assessments	\$ 1,290,400	\$ 109,538	\$ 1,399,938	\$	1,240,786
Interest income	3,820	3,059	6,879	\$	21,109
Miscellaneous income	10,915	-	10,915	\$	1,450
Total revenue	1,305,135	112,597	1,417,732	\$	1,263,345
Expenses					
Administrative	426,978	-	426,978	\$	404,406
Insurance	534,139	-	534,139	\$	450,351
Maintenance and repairs	123,969	122,821	246,790	\$	238,589
Utilities	136,502	-	136,502	\$	120,864
Total expenses	1,221,588	122,821	1,344,409	\$	1,214,210
Excess (deficit) of revenue over expenses	83,547	(10,224)	73,323	\$	49,135
Beginning fund balance	586,436	10,224	596,660	\$	547,525
Ending fund balance	\$ 669,983	\$ -	\$ 669,983	\$	596,660

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

Shipyard Condominium Association, Inc.
Statement of Cash Flows

<i>For the year ended December 31,</i>	2020			2019
	Operating Fund	Replacement Fund	Total	Total (For Comparative Purposes)
Operating activities				
Excess (deficit) of revenue over expenses	\$ 83,547	\$ (10,224)	\$ 73,323	\$ 49,135
Changes in operating assets and liabilities:				
Accounts receivable	3,388	-	3,388	2,767
Due from other association	-	-	-	170
Prepaid expenses	(28,125)	-	(28,125)	(53,258)
Utility deposits	-	-	-	125
Accounts payable	4,646	-	4,646	6,336
Interfund balance	6,709	(6,709)	-	-
Performance obligation	-	247,062	247,062	285,434
Prepaid assessments	(23,125)	-	(23,125)	34,405
Net cash provided by operating activities	47,040	230,129	277,169	325,114
Investing activities				
Maturity of certificates of deposit	(2,637)	-	(2,637)	80,747
Purchase of certificates of deposit	-	(243,058)	(243,058)	(6,416)
Net cash provided (used) by investing activities	(2,637)	(243,058)	(245,695)	74,331
Net change in cash	44,403	(12,929)	31,474	399,445
Cash at beginning of year	310,837	906,984	1,217,821	818,376
Cash at end of year	\$ 355,240	\$ 894,055	\$ 1,249,295	\$ 1,217,821

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

Shipyards Condominium Association, Inc.

Notes to Financial Statements

NOTE 1: DESCRIPTION OF THE ORGANIZATION

Shipyards Condominium Association, Inc. ("Association"), a Florida not-for-profit corporation, was formed on August 13, 1990. Membership in the Association consists of the 183 residential unit owners of this Florida condominium. The condominium is located on approximately six acres in Key West, Florida.

The Association was organized for the purpose of maintaining and protecting the elements owned by the unit owners in common, including buildings, roads and parking areas, pools, landscaping, fencing, and recreational areas and facilities. Disposition of common area property requires consent of the members in accordance with the governing documents and Florida Statutes.

All policy decisions, including the annual budget and owners' assessments, are formulated by the Board of Directors. Decisions are referred to the general Association membership before action is taken, when so required by the governing documents of the Association.

Management and accounting services are provided to the Association by The Community Association Company.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs). The financial statements include certain prior year summarized comparative information in total but not by fund. Also, certain prior year disclosures are not included. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Shipyard Condominium Association, Inc.
Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Funds

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 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 is used to account for financial resources available for the general operation of the Association. Disbursements from the Operating Fund are generally at the discretion of the Board of Directors and the Association's management.

The Replacement Fund is generally used to account for assessments made for major repair and replacement of common property, and related expenses. Disbursements from the Replacement Fund may only be utilized in accordance with Florida Statutes and the purposes established by the Board of Directors and the Association membership. As of December 31, 2020, interest income earned in the Replacement Fund is now pooled with all reserve components.

Cash Equivalents

Cash and cash equivalents include cash and all highly-liquid debt instruments with an original maturity of 90 days or less.

Accounts Receivable from Owners and Allowance for Doubtful Accounts

Accounts receivable from owners are reported at the outstanding balance due from owners, net of any allowance for doubtful accounts. The Association provides for doubtful accounts based on experience and analysis of individual accounts. When the collectability of a receivable becomes questionable, an allowance for doubtful accounts is established. When specific accounts are determined to be uncollectable, they are written off by charging the allowance and crediting the receivable. Since Management considers all receivables to be collectible at December 31, 2020, no allowance has been established at this time.

Shipyard Condominium Association, Inc.
Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items on the Balance Sheet. These items will be expensed over the applicable usage periods.

Capitalization and Depreciation

Real property acquired by the Association is capitalized when it (a) is used to generate significant cash flows from members on the basis of usage or from nonmembers or (b) can be disposed of for cash with the Association retaining the proceeds. Real property acquired by the Association that does not meet these guidelines is not capitalized, and accordingly, replacements, major repairs, and improvements to this property are not capitalized; instead, they are reported as expenses in the fund making the expenditure. Real property that does not meet the criteria to capitalize is identified in Note 1.

Contract Assets and Liabilities

Contract assets represent revenue recognized in excess of amounts billed. No such amounts are reported on the Balance Sheet as of December 31, 2020. Contract liabilities represent revenue collected in advance of the contract period or amounts billed in excess of revenue recognized. These liabilities are reported on the Balance Sheet as prepaid assessments and performance obligation liabilities.

Revenue Recognition

The Association recognizes revenue when performance obligations under the terms of the contracts with customers are satisfied. Revenue is recognized in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. For purposes of this Association, the definition of customers includes the Association's members.

Shipyard Condominium Association, Inc.
Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 12, 2021 and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

NOTE 3: OWNERS' ASSESSMENTS

Revenue and expenses are allocated to the unit owners equally. The rate for 2020 was \$750 per month. Budgeted assessment fees for the year ended December 31, 2020 totaled \$1,647,000 of which \$356,600 was allocated to the Replacement Fund.

The following table reconciles budgeted regular assessments to the amounts recognized as assessment revenue in the Statement of Revenue, Expenses and Changes in Fund Balance:

<i>For the year ended December 31,</i>	2020		
	Operating Fund	Replacement Fund	Total
Budgeted regular assessments	\$ 1,290,400	\$ 356,600	\$ 1,647,000
Less additions to performance obligation	-	(247,062)	(247,062)
Total assessments	\$ 1,290,400	\$ 109,538	\$ 1,399,938

NOTE 4: REVENUE RECOGNITION

As disclosed in Note 2 to the financial statements, the Association's customers consist of its members, which are unit owners within the condominium. The contracts between these customers and the Association primarily relate to maintaining, managing and providing access to the property and amenities owned in common by the unit owners.

Shipyard Condominium Association, Inc.
Notes to Financial Statements

NOTE 4: REVENUE RECOGNITION (Continued)

Performance Obligations

The Association's revenue is derived primarily from assessments to its members. The Association generally recognizes its revenue from contracts with customers over time with the exception of reserve assessments, which are being recognized at a point in time. As of December 31, 2020, the Association has reported a performance obligation liability totaling \$1,268,696, relating to the future major repair and/or replacement of specific components of common property. The assessments related to this performance obligation are generally reported in the Replacement Fund and will be recognized as revenue at the point in time when the funds are expended for their designated purpose.

Significant Judgments

For those revenue items recognized over time, the Association generally utilizes the input method of measurement, where revenue is recognized based on the Association's efforts towards the satisfaction of a performance obligation. For Operating Fund amounts, revenue is recognized as time elapses and the Association performs routine maintenance, protection and management of the common area property. For Replacement Fund amounts, the Association recognizes revenue at the point in time when reserve expenses are incurred.

Disaggregated Revenue

The Association derives its revenue from various activities and sources having different qualitative factors that may affect the amount, timing, or uncertainty of revenue and cash flows. The following chart contains disaggregated revenue information that reflects these qualitative factors.

<i>For the year ended December 31,</i>	2020
<i>Recognized over time</i>	
Operating fund assessments	\$ 1,290,400
Miscellaneous income	10,915
<i>Recognized at a point in time</i>	
Replacement fund assessments	109,538
<i>Not subject to ASC Topic 606</i>	
Interest income	6,879
Total revenue	\$ 1,417,732

Shipyard Condominium Association, Inc.
Notes to Financial Statements

NOTE 4: REVENUE RECOGNITION (Continued)

The following table presents information about accounts receivable, contract assets, and contract liabilities:

<i>For the year ended December 31,</i>	2020
Accounts receivable - beginning balance	\$ 6,648
Accounts receivable - ending balance	3,260
Contract assets - no beginning or ending balance for the year	
Contract liabilities	
Prepaid assessments - beginning balance	84,187
Prepaid assessments - ending balance	61,062
Performance obligation liabilities - beginning balance	1,021,634
Performance obligation liabilities - ending balance	1,268,696

NOTE 5: FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents and Florida Statutes require the Association to accumulate funds for future major repairs and replacements, unless otherwise decided by the voting membership. The Association has adopted a program to accumulate funds for estimated future major repairs and replacements through regular assessments. The Association is using the cash flow method of funding the Replacement Fund, which pools the reserve components.

The Board of Directors annually reviews the major components of common property. As a part of this review, the Board re-evaluates the estimated remaining useful lives and the estimated replacement costs of each of the components of the Replacement Fund. Where applicable, licensed contractors and architects are consulted regarding useful lives and replacement costs. The Board of Directors last performed a review of the estimated replacement costs, remaining lives, and funding requirements for the reserve components in 2020 based on a professional study performed in 2014.

The Association is funding for future major repairs and replacements over the estimated useful lives of the components based on the study's estimates of replacement costs and considering amounts previously accumulated in the Replacement Fund. Accordingly, the funding amount of \$356,600, based on a full funding plan, was included in the 2020 budget.

Actual expenditures may vary from the estimated amounts and the variations may be significant. Therefore, amounts accumulated in the Replacement Fund may not be adequate to meet future needs. If additional funds are needed, the Association has the right to increase regular assessments, to levy special assessments, or it may delay major repairs and replacements until funds are available.

Shipyard Condominium Association, Inc.

Notes to Financial Statements

NOTE 6: INCOME TAXES

The Association elected to file its tax return for 2020 as a regular corporation on Form 1120. As such, the Association must comply with Internal Revenue Code (IRC) Section 277, which applies to certain membership organizations. Under IRC Section 277, the Association is required to separate membership income and expenses from non-membership income and expenses. Each component is taxed separately; however, net membership income is exempt from taxation if certain elections are made. For the year ended December 31, 2020, the Association had no net non-membership income. The Association has a total net operating loss carryforward of \$1,125 that can be carried forward to future years. No federal or state taxes are due for 2020.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Association and recognize a tax liability if the Association has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Association and has concluded that as of December 31, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Association's policy is to record interest expense or penalties related to income tax in (operating) expense. For the year ended December 31, 2020, no interest or penalties were paid or accrued. The Association is subject to routine audits by taxing jurisdictions; however, there are no audits for any tax periods in progress. The Association's management believes it is no longer subject to income tax examinations for years prior to 2017.

NOTE 7: CREDIT RISK

The Association assesses regular and special assessments to its members. It is the Association's policy to turn over significantly past due accounts for collection and to file liens against the individual condominium units. Should the collection of any such liens be enforced by the sale of the unit, the collectability of the receivable is dependent on the quick sale market value of the unit, and the amount of any such other liens that have priority. Market value may be influenced by the real estate market in Key West, Florida.

Shipyard Condominium Association, Inc.
Notes to Financial Statements

NOTE 8: CERTIFICATES OF DEPOSIT

At December 31, 2020, the Association had \$135,638 of Operating Fund monies and \$379,333 of Replacement Fund monies in certificates of deposit at a local financial institution. The carrying value of these certificates of deposit is cost plus its accrued interest, which approximates fair value. These certificates mature at various times in 2021 and 2022.

NOTE 9: WINDSTORM DEDUCTIBLE

The insurance policy for windstorm coverage renewed June 2020. The deductible amount for named hurricane storms is estimated at \$868,727, which represents 5% of the insured value of the residential building.

NOTE 10: UNUSED LINE OF CREDIT

The Association has secured a line of credit with a financial institution with a maximum borrowing potential of \$150,000 and a variable interest rate of 1.78% plus prime; which was approximately 3.25% at December 31, 2020. The line will expire on August 31, 2022, requires monthly payments of interest, and is secured by assessment fees. There was no outstanding balance on the line of credit at December 31, 2020.

NOTE 11: SHARED USE AGREEMENT FOR SECURITY PERSONNEL EXPENSE REIMBURSEMENT

The Association currently shares a portion of the security personnel expense with the Truman Annex Master Property Owners' Association, Inc. through a shared use agreement. The Association reimbursed the Truman Annex Master Property Owners' Association, Inc. \$122,220 for their share of security personnel expenses for the year ended December 31, 2020. The security personnel expense is included in the Administrative expenses in the accompanying Statement of Revenue, Expenses and Changes in Fund Balance for the year ended December 31, 2020.

NOTE 12: CONTINGENCY

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Association. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

SUPPLEMENTARY INFORMATION

Shipyards Condominium Association, Inc.
Schedule of Changes in Accumulated Funds for Future Major Repairs and Replacements

<i>For the year ended December 31</i>	2020			
Component	Beginning Balance	Additions	Subtractions	Ending Balance
Pooled items:				
Painting - Surface Repairs			\$ (80,548)	
Roof			(1,810)	
Infrastructure - Insurance			(18,076)	
Paving - Sidewalks			(220)	
Pool			(8,884)	
Total pooled items	\$ 1,021,634	\$ 356,600	(109,538)	\$ 1,268,696
Non-pooled items:				
Interest	10,224	3,059	(13,283)	-
Total	\$ 1,031,858	\$ 359,659	\$ (122,821)	\$ 1,268,696

<i>December 31,</i>	2020	
Performance obligation liability	\$	1,268,696
Replacement fund balance		-
Total	\$	1,268,696

Shipyard Condominium Association, Inc.
Schedule of Operating Fund Revenue and Expenses – Budget and Actual

For the year ended December 31,

2020

	Actual	Budget (Unaudited)	Variance Favorable (Unfavorable) (Unaudited)
Revenue			
Regular assessments	\$ 1,290,400	\$ 1,290,400	\$ -
Interest income	3,820	12,000	(8,180)
Miscellaneous income	10,915	68,611	(57,696)
Total revenue	1,305,135	1,371,011	(65,876)
Expenses			
Administrative	426,978	575,955	148,977
Insurance	534,139	513,505	(20,634)
Maintenance and repairs	123,969	90,780	(33,189)
Utilities	136,502	122,760	(13,742)
Total expenses	1,221,588	1,303,000	81,412
Excess of revenue over expenses	\$ 83,547	\$ 68,011	\$ 15,536

Shipyards Condominium Association, Inc.
Supplementary Information on Future Major Repairs and Replacements
(Unaudited)

The following table is based on the Board's review and presents significant information about the components of common property:

Component	Estimated Remaining Useful Life (Years)	Estimated Replacement Cost	Accumulated Funds at 12/31/2020
Pooled items:			
Infrastructure	3-27	\$ 878,003	
Painting	4	321,464	
Paving	2-34	162,388	
Pool	2-24	75,246	
Roof	3-24	1,963,760	
Total pooled items			\$ 1,268,696
Non-pooled items:			
Interest	N/A	N/A	-
Total		\$ 3,400,861	\$ 1,268,696