



Shipyards Condominium Association, Inc.

**FINANCIAL STATEMENTS
(AND SUPPLEMENTARY INFORMATION)**

December 31, 2021



REPORT

Independent Auditors’ Report 1

FINANCIAL STATEMENTS

Balance Sheet 3

Statement of Revenue, Expenses and Changes in Fund Balance..... 4

Statement of Cash Flows 5

Notes to Financial Statements 6

SUPPLEMENTARY INFORMATION

Schedule of Changes in Accumulated Funds for Future Major Repairs and Replacements 14

Schedule of Operating Fund Revenue and Expenses – Budget and Actual..... 15

Supplementary Information on Future Major Repairs and Replacements (Unaudited) 16



Carr, Riggs & Ingram, LLC
Certified Public Accountants
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Suite 210
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INDEPENDENT AUDITORS' REPORT

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

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Opinion

We have audited the accompanying financial statements of Shipyards Condominium Association, Inc. which comprise the balance sheet as of December 31, 2021, and the related statements of revenue, expenses and changes in fund balance and cash flows for the year 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, 2021, 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 have conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the 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; 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.

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 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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about Shipyard Condominium Association, Inc., 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 2020 financial statements, in our report dated March 12, 2021 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 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 accompanying supplementary information contained in the schedule of changes in accumulated funds for future major repairs and replacements and schedule of operating fund revenue and expenses – budget and actual 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 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.

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

Carr, Riggs & Ingram, LLC
Miramar Beach, Florida
February 25, 2022

Shipyard Condominium Association, Inc.
Balance Sheet

<i>December 31,</i>	2021			2020	
	Operating Fund	Replacement Fund	Total	Total (For Comparative Purposes)	
Assets					
Cash	\$ 507,350	\$ 1,319,744	\$ 1,827,094	\$	1,249,295
Certificates of deposit	135,638	139,333	274,971	\$	514,971
Accounts receivable	3,176	-	3,176	\$	3,260
Prepaid expenses	300,062	-	300,062	\$	257,840
Utility deposits	1,767	-	1,767	\$	1,767
Interfund balance	(82,231)	82,231	-	\$	-
Total assets	\$ 865,762	\$ 1,541,308	\$ 2,407,070	\$	2,027,133
Liabilities and Fund Balance					
Liabilities					
Accounts payable	\$ 3,880	\$ -	\$ 3,880	\$	27,392
Prepaid assessments	97,438	-	97,438	\$	61,062
Performance obligation	-	1,541,308	1,541,308	\$	1,268,696
Total liabilities	101,318	1,541,308	1,642,626	\$	1,357,150
Fund balance	764,444	-	764,444	\$	669,983
Total liabilities and fund balance	\$ 865,762	\$ 1,541,308	\$ 2,407,070	\$	2,027,133

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

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

<i>For the years ended December 31,</i>	2021			2020	
	Operating Fund	Replacement Fund	Total	Total (For Comparative Purposes)	
Revenue					
Regular assessments	\$ 1,363,860	\$ 87,388	\$ 1,451,248	\$	1,399,938
Interest income	320	407	727	\$	6,879
Miscellaneous income	9,175	-	9,175	\$	10,915
Total revenue	1,373,355	87,795	1,461,150	\$	1,417,732
Expenses					
Administrative	433,248	-	433,248	\$	426,978
Insurance	614,030	-	614,030	\$	534,139
Maintenance and repairs	93,839	87,795	181,634	\$	246,790
Utilities	137,777	-	137,777	\$	136,502
Total expenses	1,278,894	87,795	1,366,689	\$	1,344,409
Excess of revenue over expenses	94,461	-	94,461	\$	73,323
Beginning fund balance	669,983	-	669,983	\$	596,660
Ending fund balance	\$ 764,444	\$ -	\$ 764,444	\$	669,983

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

Shipyard Condominium Association, Inc.
Statement of Cash Flows

<i>For the years ended December 31,</i>	2021			2020	
	Operating Fund	Replacement Fund	Total	Total (For Comparative Purposes)	
Operating activities					
Excess of revenue over expenses	\$ 94,461	\$ -	\$ 94,461	\$	73,323
Changes in operating assets and liabilities:					
Accounts receivable	84	-	84		3,388
Prepaid expenses	(42,222)	-	(42,222)		(28,125)
Accounts payable	(23,512)	-	(23,512)		4,646
Performance obligation	-	272,612	272,612		247,062
Prepaid assessments	36,376	-	36,376		(23,125)
Interfund balance	86,923	(86,923)	-		-
Net cash provided by operating activities	152,110	185,689	337,799		277,169
Investing activities					
Sale (purchase) of certificates of deposit	-	240,000	240,000		(245,695)
Net cash provided (used) by investing activities	-	240,000	240,000		(245,695)
Net change in cash	152,110	425,689	577,799		31,474
Cash at beginning of year	355,240	894,055	1,249,295		1,217,821
Cash at end of year	\$ 507,350	\$ 1,319,744	\$ 1,827,094	\$	1,249,295

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

Shipyard Condominium Association, Inc. Notes to Financial Statements

NOTE 1: DESCRIPTION OF THE ORGANIZATION

Shipyard 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, 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 (ASU). The financial statements include certain prior year summarized comparative information in total but not by fund. 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, 2020, 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 that 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 Florida Statutes. 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.

The replacement fund is used to account for assessments made for the 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. Interest income earned in the replacement fund is allocated to the pooled components.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are reported at the outstanding balance due from members and others, net of any allowance for doubtful accounts. The Association provides for doubtful accounts based on experience and analysis of individual accounts. When specific accounts are determined to be uncollectible, they are written off by charging the allowance and crediting the receivable. Since management considers all receivables to be collectible at December 31, 2021, no allowance has been established at this time.

Prepaid Expenses

Expenses paid in advance of the period they benefit are reported as prepaid expenses on the balance sheet. Prepaid expenses are charged to expenses during the periods they benefit.

Shipyards Condominium Association, Inc.
Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 has not been capitalized is described 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, 2021. 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.

Financial Instruments

Financial instruments such as money market funds and certificates of deposit are reported at cost, which approximates their fair value.

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. The definition of customers includes the Association's members.

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued, February 25, 2022 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.

Shipyard Condominium Association, Inc.
Notes to Financial Statements

NOTE 3: OWNERS' ASSESSMENTS

Revenue and expenses are allocated to the unit owners equally. The rate for 2021 was \$785 per month. Budgeted assessment fees for the year ended December 31, 2021 totaled \$1,723,860 of which \$360,000 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>	2021		
	Operating Fund	Replacement Fund	Total
Budgeted regular assessments	\$ 1,363,860	\$ 360,000	\$ 1,723,860
Less additions to performance obligation	-	(272,612)	(272,612)
Total assessments	\$ 1,363,860	\$ 87,388	\$ 1,451,248

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.

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, 2021, the Association has reported a performance obligation liability totaling \$1,541,308, 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.

Shipyards Condominium Association, Inc.
Notes to Financial Statements

NOTE 4: REVENUE RECOGNITION (Continued)

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 assessments, 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 the related project 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 table contains disaggregated revenue information that reflects these qualitative factors.

<i>For the year ended December 31,</i>	2021
<i>Recognized over time</i>	
Operating fund assessments	\$ 1,363,860
Miscellaneous income	9,175
<i>Recognized at a point in time</i>	
Replacement fund assessments	87,388
<i>Not subject to ASC Topic 606</i>	
Interest income	727
Total revenue	\$ 1,461,150

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>	2021
Accounts receivable - beginning balance	\$ 3,260
Accounts receivable - ending balance	3,176
Contract assets - no beginning or ending balance for the year	
Contract liabilities	
Prepaid assessments - beginning balance	61,062
Prepaid assessments - ending balance	97,438
Performance obligation liabilities - beginning balance	1,268,696
Performance obligation liabilities - ending balance	1,541,308

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 2021 based on a professional study performed in 2018.

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 \$360,000, based on a full funding plan, was included in the 2021 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 2021 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, 2021, the Association had a net nonmembership loss of \$6,804. The Association has a total net operating loss carryforward of \$7,929 that can be carried forward to future years. No federal or state taxes are due for 2021.

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, 2021, 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, 2021, 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 2018.

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.

The Association places its cash and certificates of deposit with federally insured financial institutions. At times, the balances at these financial institutions may exceed the FDIC insured limit. The Association has cash deposits with financial institutions at December 31, 2021, in excess of federally insured limits by \$329,858.

Shipyard Condominium Association, Inc.
Notes to Financial Statements

NOTE 8: CERTIFICATES OF DEPOSIT

At December 31, 2021, the Association had \$135,638 of operating fund monies and \$139,333 of replacement fund monies in certificates of deposit at a local financial institution. The carrying value of these certificates of deposit is cost plus accrued interest, which approximates fair value. These certificates mature at various times in 2022.

NOTE 9: WINDSTORM DEDUCTIBLE

The insurance policy for windstorm coverage renewed June 2021. The deductible amount for named hurricane storms is estimated at \$867,260, 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, 2021. 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, 2021.

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. \$125,160 for their share of security personnel expenses for the year ended December 31, 2021. 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, 2021.

NOTE 12: INTERFUND BALANCES

Florida Statutes section 718.112(2)(f)3 states that reserves accumulated for capital expenditures and deferred maintenance "shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote of the members at a duly called meeting of the association." As of December 31, 2021, the operating fund owes \$82,231 to the replacement fund due to the use of reserves to pay for the general operation of the Association. The use of the reserve funds in this manner has not been approved by the members of the Association. The Association intends to repay this interfund loan in the first quarter of 2022.

Supplementary Information

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

For the year ended December 31,

2021

Component	Beginning Balance	Additions	Subtractions	Ending Balance
Pooled items:				
Painting			\$ (660)	
Painting - Surface Repairs			(73,154)	
Roof			(3,855)	
Pool			(8,114)	
Miscellaneous			(1,605)	
Total pooled items	\$ 1,268,696	\$ 360,000	(87,388)	\$ 1,541,308
Non-pooled items:				
Interest	-	407	(407)	-
Total	\$ 1,268,696	\$ 360,407	\$ (87,795)	\$ 1,541,308

December 31,

2021

Performance obligation liability	\$ 1,541,308
Replacement fund balance	-
Total	\$ 1,541,308

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

For the year ended December 31,

2021

	Actual	Budget (Unaudited)	Variance Favorable (Unfavorable) (Unaudited)
Revenue			
Regular assessments	\$ 1,363,860	\$ 1,363,860	\$ -
Interest income	320	1,200	(880)
Miscellaneous income	9,175	94,025	(84,850)
Total revenue	1,373,355	1,459,085	(85,730)
Expenses			
Administrative	433,248	534,760	101,512
Insurance	614,030	598,100	(15,930)
Maintenance and repairs	93,839	93,600	(239)
Utilities	137,777	139,800	2,023
Total expenses	1,278,894	1,366,260	87,366
Excess of revenue over expenses	\$ 94,461	\$ 92,825	\$ 1,636

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 12/31/2021
Pooled items:			
Infrastructure	0-51	\$ 878,003	
Painting	2	321,464	
Paving	2-34	162,388	
Pool	0-46	75,246	
Roof	3-26	1,963,760	
Total pooled items			\$ 1,541,308
Non-pooled items:			
Interest	N/A	N/A	-
Total		\$ 3,400,861	\$ 1,541,308