

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022

AND

INDEPENDENT AUDITOR'S REPORT

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**FINANCIAL STATEMENTS WITH SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

*To the Board of Trustees and Unit Owners of
Cinnaminson Harbour Villa Homes Condominium Association, Inc.*

Opinion

We have audited the accompanying financial statements of Cinnaminson Harbour Villa Homes Condominium Association, Inc., which comprise the balance sheet as of December 31, 2022, and the related statements of revenues, 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 Cinnaminson Harbour Villa Homes Condominium Association, Inc. as of December 31, 2022, 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 described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cinnaminson Harbour Villa Homes 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 the 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 Cinnaminson Harbour Villa Homes 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.

Auditor's 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 auditor's 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 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.

MOHEL ELLIOTT BAUER & GASS

A P R O F E S S I O N A L A S S O C I A T I O N

CERTIFIED PUBLIC ACCOUNTANTS

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 Cinnaminson Harbour Villa Homes 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 Cinnaminson Harbour Villa Homes 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.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information on future major repairs and replacements on page 12 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

MOHEL ELLIOTT BAUER & GASS

A P R O F E S S I O N A L A S S O C I A T I O N
C E R T I F I E D P U B L I C A C C O U N T A N T S

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information shown on page 13 – 14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



MOHEL ELLIOTT BAUER & GASS, P.A.
Certified Public Accountants

April 12, 2023
Toms River, New Jersey

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**BALANCE SHEET
DECEMBER 31, 2022**

	<u>Total</u>	<u>Operating Fund</u>	<u>Deferred Maintenance Fund</u>	<u>Replacement Fund</u>
ASSETS				
Cash and cash equivalents	\$ 299,227	\$ 68,300	\$ -	\$ 230,927
Money market mutual funds	645,952	-	-	645,952
Certificates of deposit	203,052	-	-	203,052
Assessments receivable, less adjustment for probable uncollectible accounts of \$41,268	1,764	1,764	-	-
Accrued interest receivable	21	-	-	21
Other receivables	25	25	-	-
Prepaid insurance	20,725	20,725	-	-
Prepaid federal income tax	3,535	3,535	-	-
Interfund balances	-	147,732	77,502	(225,234)
TOTAL ASSETS	<u>\$ 1,174,301</u>	<u>\$ 242,081</u>	<u>\$ 77,502</u>	<u>\$ 854,718</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 24,436	\$ 24,436	\$ -	\$ -
Assessments received in advance	6,671	6,671	-	-
Escrow deposits	81,348	81,348	-	-
TOTAL LIABILITIES	112,455	112,455	-	-
FUND BALANCES	<u>1,061,846</u>	<u>129,626</u>	<u>77,502</u>	<u>854,718</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,174,301</u>	<u>\$ 242,081</u>	<u>\$ 77,502</u>	<u>\$ 854,718</u>

The accompanying notes are an integral part of these financial statements

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**STATEMENTS OF REVENUES AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Total</u>	<u>Operating Fund</u>	<u>Deferred Maintenance Fund</u>	<u>Replacement Fund</u>
REVENUES				
Maintenance Assessments				
Maintenance assessments	\$ 354,144	\$ 252,841	\$ 18,540	\$ 82,763
Adjustment for probable uncollectible accounts	<u>(7,672)</u>	<u>(7,672)</u>	-	-
Net Maintenance Assessments	346,472	245,169	18,540	82,763
Other Revenues				
Late fees and fines	2,140	2,140	-	-
Investment income	4,631	-	-	4,631
Legal fee chargeback income	10,598	10,598	-	-
Master association income	80,352	80,352	-	-
Total Other Revenues	<u>97,721</u>	<u>93,090</u>	-	4,631
TOTAL REVENUES	<u>444,193</u>	<u>338,259</u>	<u>18,540</u>	<u>87,394</u>
EXPENSES				
Administrative	198,707	198,657	-	50
Building and grounds maintenance	163,666	163,666	-	-
Transition expenses	2,653	2,653	-	-
Wall, flashing and cladding repairs	19,377	-	-	19,377
Reserve study update	1,700	-	-	1,700
TOTAL EXPENSES	<u>386,103</u>	<u>364,976</u>	<u>-</u>	<u>21,127</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 58,090</u>	<u>\$ (26,717)</u>	<u>\$ 18,540</u>	<u>\$ 66,267</u>

The accompanying notes are an integral part of these financial statements

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Operating Fund					
Total	Total Operating Fund	Working Capital Contributions	Cumulative Surplus	Deferred Maintenance Fund	Replacement Fund	
Fund Balances - Beginning of Year	\$ 998,884	\$ 151,471	\$ 73,635	\$ 77,836	\$ 58,962	\$ 788,451
Working Capital Contributions	4,872	4,872	4,872	-	-	-
Excess (Deficiency) of Revenues over Expenses	<u>58,090</u>	<u>(26,717)</u>	<u>-</u>	<u>(26,717)</u>	<u>18,540</u>	<u>66,267</u>
Fund Balances - End of Year	<u>\$ 1,061,846</u>	<u>\$ 129,626</u>	<u>\$ 78,507</u>	<u>\$ 51,119</u>	<u>\$ 77,502</u>	<u>\$ 854,718</u>

The accompanying notes are an integral part of these financial statements

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Total</u>	<u>Operating Fund</u>	<u>Deferred Maintenance Fund</u>	<u>Replacement Fund</u>
Cash flows from operating activities:				
Excess (deficiency) of revenue over expenses	\$ 58,090	\$ (26,717)	\$ 18,540	\$ 66,267
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by (used in) operating activities:				
Adjustment for probable uncollectible accounts	7,041	7,041	-	-
(Increase) decrease in assets:				
Assessments receivable	(4,884)	(4,884)	-	-
Accrued interest receivable	5	-	-	5
Other receivables	(25)	(25)	-	-
Prepaid insurance	(819)	(819)	-	-
Prepaid federal income taxes	(3,535)	(3,535)	-	-
Increase (decrease) in liabilities:				
Accounts payable and accrued and expenses	18,426	18,426	-	-
Federal income taxes payable	(1,202)	(1,202)	-	-
Assessments received in advance	(10,806)	(10,806)	-	-
Escrow deposits	3,704	3,704	-	-
Net cash provided by (used in) operating activities	<u>65,995</u>	<u>(18,817)</u>	<u>18,540</u>	<u>66,272</u>
Cash flows from investing activities:				
Purchases of certificates of deposit	(463)	-	-	(463)
Maturities of certificates of deposit	100,000	-	-	100,000
Net activity in money market mutual funds	(342,479)	-	-	(342,479)
Net cash used in investing activities	<u>(242,942)</u>	<u>-</u>	<u>-</u>	<u>(242,942)</u>
Cash flows from financing activities:				
Change in interfund balances	-	(259,773)	(18,540)	278,313
Working capital contributions	4,872	4,872	-	-
Net cash provided by (used in) financing activities	<u>4,872</u>	<u>(254,901)</u>	<u>(18,540)</u>	<u>278,313</u>
Net increase (decrease) in cash and cash equivalents	(172,075)	(273,718)	-	101,643
Cash and cash equivalents - beginning of year	<u>471,302</u>	<u>342,018</u>	<u>-</u>	<u>129,284</u>
Cash and cash equivalents - end of year	<u>\$ 299,227</u>	<u>\$ 68,300</u>	<u>\$ -</u>	<u>\$ 230,927</u>

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

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 - NATURE OF ORGANIZATION

Cinnaminson Harbour Villa Homes Condominium Association, Inc. (the "Association"), located in Cinnaminson, New Jersey, is a New Jersey corporation and is subject to the provisions of the Condominium Act of the State of New Jersey. The purposes of the Association are to provide for the preservation of the values and amenities in the community and for the maintenance of the common facilities. The Association consists of 124 residential units; additionally one unit is owned by the Sponsor and rented to third parties as discussed in Note 8.

The members of the Association will also be members of the Village at Cinnaminson Harbour Community Association, Inc. (the "Community Association"). The Community Association will be responsible for the recreational facilities of the community. The Association will facilitate the collection of the monthly assessments to be remitted to the Community Association as an accommodation even though unit owners are obligated to the Community Association directly.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires the Board/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.

Fund Accounting - The Association's legal documents (i.e., Master Deed and By-laws) provide certain guidelines to govern the Association's financial activities. In order to ensure observance of limitations and restrictions placed on the use of resources available to the Association by such documents, the accounts of the Association are maintained in accordance with the principles of fund accounting. The assets, liabilities and fund balances of the Association are reported in the following fund groups:

Operating Fund - This fund represents the portion of expendable funds that is available for the general operations of the Association.

Deferred Maintenance Fund - The purpose of this fund is to accumulate sufficient amounts, which will allow the Association to have the necessary resources to perform services, which occur less frequently than annually such as painting, staining and mulching, etc.

Replacement Fund - The purpose of the replacement fund is to accumulate funds for future major repairs and replacements of the Association's common property as determined by the Board.

Cash and Cash Equivalents - Cash and cash equivalents include cash held in bank deposits, overnight sweep accounts and money market funds.

Financial Instruments with Off-Balance Sheet Risk - The Association, in its normal course of business, maintains cash balances which, at times, may exceed federally insured limits. At December 31, 2022, the uninsured cash balances totaled \$159,897.

(Continued)

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**NOTES TO THE FINANCIAL STATEMENTS
(Continued)
DECEMBER 31, 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recognition of Assets - The Association's property and other common elements are owned by the unit owners in condominium form pursuant to the Master Deed wherein each of the individual unit owners hold legal title to an undivided interest in property constituting the common elements. The use and disposition of these properties are restricted or governed by the Association's legal documents. Accordingly, no amounts related to these common elements are included on the accompanying balance sheet of the Association. The common elements generally consist of sidewalks, roadways, open areas and portions of the buildings not comprising the individual units.

Investment Income Earned-The Board's policy is to retain investment income earned on all replacement fund interest bearing cash and cash equivalent accounts and investments in the replacement fund.

Interfund balances - Represents future interfund cash transfers required to balance funds.

Maintenance Assessments and Assessments Receivable - Association members are subject to monthly assessments based upon the annual budget. The purpose of maintenance assessments is to provide funds for operating expenses and funding for reserves for future major repairs and replacements. Monthly maintenance assessments represent multiple performance obligations, which, on a standalone basis are not considered separate and distinct and therefore have been deemed to be a single performance obligation. Revenue is recognized as the performance obligation is satisfied at transaction amounts expected to be collected. The performance obligation for maintenance assessments is satisfied over time on a daily pro-rata basis using the input method. The Association retains excess funds at the end of the period, if any, for use in future periods or as otherwise specified by the Association's governing documents.

Maintenance assessments receivable at the balance sheet date is stated at the amounts expected to be collected from unit owners. The Association's policy is to retain legal counsel and place liens on the units of owners who are delinquent based on the collection policy. It is the opinion of the board that not all of the receivables will be fully collectible. As of December 31, 2022, the Association had assessments receivable of \$43,032. Six units had receivables in excess of \$1,000 totaling \$41,268. The board has recorded an adjustment for probable uncollectible accounts in the amount of \$41,268. The Association treats uncollectible maintenance assessments as variable consideration since the Association estimate of variable consideration is constrained to include consideration of past experience and susceptibility to factors outside the Association's control.

Subsequent Events - The Association has evaluated subsequent activity through April 12, 2023, the date the financial statements were available to be issued. Based upon this evaluation, the Association determined that no subsequent events have occurred, which require adjustment to or disclosure in the financial statements.

NOTE 3 - INVESTMENTS

The Association holds several certificates of deposit, recorded at cost which approximates fair value at December 31, 2022, with interest rates ranging from .45% - 1.9%. The certificates of deposit are scheduled to mature at various dates from June 2023 through December 2023.

Money market mutual funds are recorded at cost, which approximates fair value at December 31, 2022. Fair value is measured on a recurring basis based on quoted prices in an active market (all Level 1 measurements).

(Continued)

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**NOTES TO THE FINANCIAL STATEMENTS
(Continued)
DECEMBER 31, 2022**

NOTE 4 - INCOME TAXES

Under the Internal Revenue Code, Associations may be taxed as a condominium management association at their election, or as a regular corporation. The Association may select either method in any year and will generally select the method that results in the lowest tax due. A method selected in one year affects only that year and the Association is free to select either method in future years. By filing as a regular corporation, the Association is generally taxed at a lower rate than filing as a condominium management association.

For the year ended December 31, 2022 the Association has elected to be taxed as a regular corporation. Income taxes of \$263 has been provided based on the excess of non-membership expenses over non-membership income.

The Association is incorporated pursuant to Title 15A of the New Jersey Statutes and therefore, is not liable for New Jersey corporation business income tax.

The Association regularly reviews and evaluates its uncertain tax positions taken in previously filed tax returns. The Association believes that in the event of an examination by taxing authorities, the organization's positions would prevail based upon the technical merits of such positions. Therefore, the Association has concluded that no tax benefits or liabilities are required to be recognized.

The Association's federal information returns are generally subject to examination by the Internal Revenue Service for three years, including the years ended December 31, 2022, 2021 and 2020.

NOTE 5 - ESCROW DEPOSITS

Upon the initial acquisition of title to a unit, each new member of the Association must contribute the equivalent of two months current maintenance fees as a nonrefundable, transferable escrow deposit. As of December 31, 2022, the Association has not received escrow for one Sponsor owned rental unit. Inasmuch as this unit has not been conveyed, in the Sponsor's opinion, they are not responsible for paying this amount.

NOTE 6 - WORKING CAPITAL CONTRIBUTIONS

Upon the acquisition of title to a unit, each member of the Association must contribute a one-time, non-refundable working capital contribution equivalent to two months of the then current assessments. These contributions have been recorded as capital directly to fund balance in the accompanying financial statements.

The Association has not received working capital contributions for the one unit owned and leased by the Sponsor. Inasmuch as this unit has not been conveyed, in the Sponsor's opinion, they are not responsible for paying this amount.

NOTE 7 - RELATED PARTY TRANSACTION

As of December 31, 2022, the Sponsor owned one unit for rental purposes. Maintenance assessments incurred and paid on the Sponsor unit in 2022 totaled \$3,504, of which \$648 was remitted to the Community Association as discussed in Note 1.

(Continued)

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**NOTES TO THE FINANCIAL STATEMENTS
(Continued)
DECEMBER 31, 2022**

NOTE 8 - REPLACEMENT FUND

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds are held in separate accounts and are generally not available for expenditures for normal operations.

FWH Associates, PA, professional engineering consultants, conducted a study effective January 2022 to estimate the remaining useful lives and the replacement costs of the components of common property. The study increases those components with an estimated remaining useful life within the Sponsor determined useful life guidelines for inclusion in the replacement schedule for purposes of determining annual funding. The estimates were based on the then current estimated replacement costs. The type of study performed was a full study. The table included in the unaudited supplementary information on future information on future major repairs and replacements is based on the study.

The Board is funding for major repairs and replacements over the remaining useful lives of the components based on the study's estimates of the then current replacement costs, considering amounts previously accumulated in the replacement fund and utilizing the threshold funding methodology, as modified by management. Threshold funding, based upon a 30 year cash flow analysis, sets a replacement funding goal of keeping the replacement fund balance above a specified dollar amount at its lowest accumulated amount, as specified by the Board, which is approximately \$374,581 or 10% of the estimated replacement cost of the common property which is included in the engineering study referred to above.

Funds are being accumulated in the replacement fund based upon estimated costs for repairs and replacements of common property components. Actual expenditures may vary from the estimated amounts, and the variations may be material. Additionally, replacement fund cash and investment balances may, at times, be less than the fund balance. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments or delay major repairs and replacements until funds are available, if possible.

NOTE 9 - OTHER MATTER

In late 2019, a novel strain of coronavirus, COVID-19, emerged globally. As the impact of the spread of the COVID-19 coronavirus continues to spread in the United States and around the world, the Association may experience disruptions that could impact its ability to carry out its activities. As of the date of the issuance of these financial statements, the Association cannot reasonably estimate the impact to the Association's future activities, revenues, financial condition or results of operations; however, such impact could be significantly negative.

SUPPLEMENTARY INFORMATION

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**SUPPLEMENTARY INFORMATION
SCHEDULE OF INFORMATION ON FUTURE
MAJOR REPAIRS AND REPLACEMENTS
DECEMBER 31, 2022
(UNAUDITED)**

FWH Associates, PA, conducted a study with a effective date of January 2022, to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on the estimated costs to repair the common property components at the end of their useful lives assuming an inflation rate of 3 percent. A 10 percent funding threshold of \$374,581 is being estimated.

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

COMPONENTS	AS OF 2022 STUDY	
	ESTIMATED REMAINING USEFUL LIVES (YEARS)	ESTIMATED REPLACEMENT COSTS
Sitework		
Paved surfaces		
Section 3	3 - 16	\$ 685,949
Section 6	0 - 19	730,823
Irrigation		
Section 3	11	53,100
Section 6	11	31,860
Miscellaneous		
Section 3	11	2,400
Structures		
Residential buildings		
Section 3	2 - 31	1,298,493
Section 6	4 - 34	943,186
Total		\$ 3,745,811
Replacement fund balance as of December 31, 2022		\$ 854,718

The schedule of future repairs and replacements indicates a suggested 10% threshold annual funding contribution as follows:

2022	\$ 106,661
2023	\$ 115,672
2024	\$ 125,444
2025	\$ 136,041
2026	\$ 147,534
2027 - 2051	\$159,998 - \$398,019

See auditors' report

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**SUPPLEMENTARY INFORMATION
SCHEDULE OF TOTAL REVENUES, OPERATIONS EXPENSES AND
ALLOCATIONS TO FUNDS AS COMPARED TO BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS FOR 2021)**

	<u>2022</u>		<u>Variance</u>	<u>2021</u>
	<u>Actual</u>	<u>(Unaudited) Budget</u>	<u>Favorable (Unfavorable)</u>	<u>Memo Total Actual</u>
REVENUES				
Maintenance Assessments				
Maintenance assessments	\$ 354,144	\$ 354,144	\$ -	\$ 354,144
Adjustment for probable uncollectible accounts	(7,672)	-	(7,672)	9,098
Net Maintenance Assessments	<u>346,472</u>	<u>354,144</u>	<u>(7,672)</u>	<u>363,242</u>
Other Revenues				
Late fees and fines	2,140	-	2,140	2,719
Investment income	4,631	-	4,631	9,057
Legal fee chargeback income	10,598	-	10,598	-
Master association income	80,352	88,213	(7,861)	80,352
Total Other Revenues	<u>97,721</u>	<u>88,213</u>	<u>9,508</u>	<u>92,128</u>
Total Revenues	<u>444,193</u>	<u>442,357</u>	<u>1,836</u>	<u>455,370</u>
OPERATING EXPENSES				
ADMINISTRATIVE				
Insurance	66,061	65,100	(961)	65,366
Management fees	27,540	27,540	-	25,751
Bank fees	-	500	500	-
Audit	4,050	3,950	(100)	4,050
Office	2,778	3,500	722	4,436
Legal	19,633	10,000	(9,633)	28,340
Website	668	800	132	334
Miscellaneous	-	500	500	117
Federal income tax	263	2,000	1,737	1,202
Master association expense	77,664	77,664	-	80,352
Total Administrative	<u>198,657</u>	<u>191,554</u>	<u>(7,103)</u>	<u>209,948</u>
BUILDING AND GROUNDS MAINTENANCE				
Irrigation system water	48,759	18,000	(30,759)	19,295
Lawn and ground maintenance	56,809	43,000	(13,809)	57,123
Snow clearing	20,833	42,000	21,167	34,924
Irrigation repairs and maintenance	11,579	7,500	(4,079)	6,091
Property enhancements	7,261	17,000	9,739	6,953
Common property maintenance	14,840	15,000	160	30,996
Exterminating	842	1,500	658	1,386
Engineering	1,292	1,000	(292)	2,948
Electric - common areas	1,451	1,500	49	888
Total Building and Grounds Maintenance	<u>163,666</u>	<u>146,500</u>	<u>(17,166)</u>	<u>160,604</u>
TRANSITION EXPENSES	<u>2,653</u>	<u>3,000</u>	<u>347</u>	<u>-</u>

(Continued)

**CINNAMINSON HARBOUR VILLA HOMES
CONDOMINIUM ASSOCIATION, INC.**

**SUPPLEMENTARY INFORMATION
SCHEDULE OF TOTAL REVENUES, OPERATIONS EXPENSES AND
ALLOCATIONS TO FUNDS AS COMPARED TO BUDGET**

(Continued)

**FOR THE YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS FOR 2021)**

	<u>2022</u>			<u>2021</u>
	<u>Actual</u>	<u>(Unaudited) Budget</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Memo Total Actual</u>
EXPENSES (CONTINUED)				
DEFERRED MAINTENANCE FUND				
Maintenance assessments allocated to deferred maintenance fund	<u>18,540</u>	<u>18,540</u>	<u>-</u>	<u>18,000</u>
Total Deferred Maintenance Fund Allocations	<u>18,540</u>	<u>18,540</u>	<u>-</u>	<u>18,000</u>
REPLACEMENT FUND				
Maintenance assessments allocated to replacement fund	82,763	82,763	-	80,352
Investment income allocated to replacement fund	<u>4,631</u>	<u>-</u>	<u>(4,631)</u>	<u>9,049</u>
Total Replacement Fund Allocations	<u>87,394</u>	<u>82,763</u>	<u>(4,631)</u>	<u>89,401</u>
Total Operating Expenses and Allocations to Funds	<u>470,910</u>	<u>442,357</u>	<u>(28,553)</u>	<u>477,953</u>
Excess (deficiency) of Revenues Over Operating Expenses and Allocations to Funds	<u>\$ (26,717)</u>	<u>\$ -</u>	<u>(26,717)</u>	<u>(22,583)</u>

See auditors' report