

**WATERSIDE VILLAGE OF PALM BEACH
CONDOMINIUM ASSOCIATION, INC.**

**MINUTES OF THE MEETING OF THE BOARD
OF DIRECTORS JANUARY 25, 2025, at 1:30 p.m. at
the CLUBHOUSE and via ZOOM**

PRESENT:

Andre Mongrain, Director, and President
Michael Shane, Director, and Vice-President
France Laroche, Director, and Treasurer
Michel Thivierge, Director, and Secretary
Daniel Laviolette, Director
Marc Desrochers, Director
Steven Robinson, Director

and Stacey Casey, Manager

1. Call to quorum

A Quorum was met as all seven directors were present and the meeting started at 1:37pm

2. Approval of the Agenda

The approval of the agenda was moved by France Laroche, seconded by Marc Desrochers and unanimously approved.

3. Approval of the Minutes of the Board Meeting held on October 28, 2024

The approval of the minutes of the meeting of the board of directors held on October 28th, 2024 was moved by Marc Desrochers, seconded by France Laroche and unanimously approved.

4. Review of the Audited Financial Statement for the year 2023-2024

The President explained the evolution of the Auditor report for the fiscal year 2023-2024. The audited financial statements for the year 2023-2024 is appended to the minutes and forms part of Minutes as Appendix 1.

5. Appointment of the Auditor for the fiscal year 2024-2025

The appointment of Grau And Associates to be our auditor for the 2024-2025 fiscal year was moved by France Laroche, seconded by Marc Desrochers and unanimously approved.

6. Approval of contracts awarded since the board meeting on October 28th, 2024

**WATERSIDE VILLAGE OF PALM BEACH
CONDOMINIUM ASSOCIATION, INC.**

Approval of the contracts was read by Andre Mongrain.

An approval motion was moved by Michael Shane, seconded by Steven Robinson and unanimously approved.

7. Adjournment

The adjournment of the meeting was moved by André Mongrain, seconded by Marc Desrochers and unanimously approved. The meeting was adjourned at 1:59pm.

Michel Thivierge, Secretary
January 31, 2025

**WATERSIDE VILLAGE OF PALM BEACH
CONDOMINIUM ASSOCIATION, INC.
FINANCIAL STATEMENTS
OCTOBER 31, 2024**

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Waterside Village of Palm Beach Condominium Association, Inc.
Charlotte County, Florida

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Waterside Village of Palm Beach Condominium Association, Inc. ("Association"), which comprise the balance sheet as of October 31, 2024, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of Waterside Village of Palm Beach Condominium Association, Inc. as of October 31, 2024, and the results of its operations, and its cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

During the fiscal year ended October 31, 2024, the Association changed its method of accounting for insurance expense and prepaid insurance from the accrual method to the cash basis method. As a result, the Association recognized \$407,519 of insurance expense during the year which, under accrual basis, would have been recorded as prepaid insurance, an asset, as of October 31, 2024. The ending fund balance is shown as \$180,752 as a result of the cash basis of accounting for insurance expense, whereas if the Association used the accrual method for insurance expense the ending fund balance would be \$588,271 as of October 31, 2024. In our opinion, the new basis on which insurance expense and prepaid insurance is recorded is not in conformity with accounting principles generally accepted in the United States of America.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Association 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 the Association's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 GAAS 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.

In performing an audit in accordance with GAAS, 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 the Association'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 the Association'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 about future major repairs and replacements of common property 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, 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.

January 24, 2025

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
BALANCE SHEET
OCTOBER 31, 2024

	Operating Fund	Reserve Fund	Total
ASSETS			
Current Assets:			
Cash & cash equivalents	\$ 88,778	\$ 86,628	\$ 175,406
Assessments receivable	4,850	-	4,850
Allowance for credit losses	(2,890)	-	(2,890)
Total current assets	<u>90,738</u>	<u>86,628</u>	<u>177,366</u>
Investments:			
CD's with a maturity greater than 3 months and withdrawal penalty clause	-	1,000,000	1,000,000
Annuities	-	1,088,186	1,088,186
Total investments	<u>-</u>	<u>2,088,186</u>	<u>2,088,186</u>
Fixed Assets:			
Equipment	204,938	-	204,938
Buildings/units	77,802	-	77,802
Land	221,974	-	221,974
Accumulated depreciation	(282,740)	-	(282,740)
Total fixed assets	<u>221,974</u>	<u>-</u>	<u>221,974</u>
Other Assets:			
Deposits	2,235	-	2,235
Total Assets	<u>\$ 314,947</u>	<u>\$ 2,174,814</u>	<u>\$ 2,489,761</u>
LIABILITIES AND FUND BALANCE			
Current Liabilities:			
Accounts payable and accrued expenses	\$ 109,505	\$ -	\$ 109,505
Prepaid assessments	24,690	-	24,690
Contract liabilities (assessments received in advance - reserve fund)	-	2,174,814	2,174,814
Total current liabilities	<u>134,195</u>	<u>2,174,814</u>	<u>2,309,009</u>
Fund Balance	<u>180,752</u>	<u>-</u>	<u>180,752</u>
Total fund balance	<u>180,752</u>	<u>-</u>	<u>180,752</u>
Total liabilities and fund balances	<u>\$ 314,947</u>	<u>\$ 2,174,814</u>	<u>\$ 2,489,761</u>

See accompanying notes to financial statements

**WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED OCTOBER 31, 2024**

	Operating Fund	Reserve Fund	Total
REVENUES			
Maintenance assessments	\$ 2,382,440	\$ 48,054	\$ 2,430,494
Application/estoppel fees	36,658	-	36,658
Late fees	1,412	-	1,412
Other income	5,679	-	5,679
Total revenues	<u>2,426,189</u>	<u>48,054</u>	<u>2,474,243</u>
EXPENSES			
Utilities	493,851	-	493,851
Salaries & wages	270,479	-	270,479
Security guards	63,772	-	63,772
General & administrative			
Insurance	1,069,874	-	1,069,874
Professional fees	37,019	-	37,019
Licenses, taxes, & fees	11,523	-	11,523
Office expenses	9,757	-	9,757
Screening expenses	4,865	-	4,865
Social facilities	4,127	-	4,127
Miscellaneous admin	8,371	-	8,371
Maintenance			
Landscaping & grounds maintenance	278,146	-	278,146
Building maintenance	162,118	-	162,118
Pool maintenance & supplies	27,915	-	27,915
Other common amenities	17,606	-	17,606
Fences & signage	16,321	-	16,321
Pest control	35,126	-	35,126
Plumbing repairs	13,815	-	13,815
Electrical repairs	15,732	-	15,732
Fire safety	11,811	-	11,811
Janitorial supplies	2,434	-	2,434
Golf carts	85	-	85
Painting program	71,270	-	71,270
Awning repairs	13,850	-	13,850
Infrastructure	30,186	-	30,186
Miscellaneous other maintenance	6,162	-	6,162
Pool and spa repairs	-	48,054	48,054
Total expenses	<u>2,676,215</u>	<u>48,054</u>	<u>2,724,269</u>
Excess (deficit) of revenues over expenses	(250,026)	-	(250,026)
BEGINNING FUND BALANCE	<u>430,778</u>	<u>-</u>	<u>430,778</u>
ENDING FUND BALANCE	<u>\$ 180,752</u>	<u>\$ -</u>	<u>\$ 180,752</u>

See accompanying notes to financial statements

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED OCTOBER 31, 2024

	Operating Fund	Reserve Fund	Total
CASH FLOW FROM OPERATING ACTIVITIES			
Member assessments collected	\$ 2,131,009	\$ 305,500	\$ 2,436,509
Late fees	1,412	-	1,412
Application / estoppel fees	36,658	-	36,658
Other income received	5,725	-	5,725
Cash paid for operating expenditures	(2,141,923)	(48,054)	(2,189,977)
Net cash provided (used) by operating activities	<u>32,881</u>	<u>257,446</u>	<u>290,327</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) / decrease in certificates of deposit	-	(400,000)	(400,000)
(Increase) / decrease in annuities	-	153,914	153,914
Interest income	-	50,957	50,957
Net cash provided (used) by investing activities	<u>-</u>	<u>(195,129)</u>	<u>(195,129)</u>
Net increase (decrease) in cash and cash equivalents	32,881	62,317	95,198
Cash and cash equivalents - November 1, 2023	<u>55,897</u>	<u>24,311</u>	<u>80,208</u>
Cash and cash equivalents - October 31, 2024	<u>\$ 88,778</u>	<u>\$ 86,628</u>	<u>\$ 175,406</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
	Operating Fund	Reserve Fund	Total
Excess (deficit) of revenues over expenses	\$ (250,026)	\$ -	\$ (250,026)
Adjustments to reconcile excess (deficit) of revenues over expenses to net cash from operating activities:			
(Increase) / Decrease in assets:			
Special assessments receivable	5,080	-	5,080
Prepaid insurance	251,040	-	251,040
Increase / (Decrease) in liabilities:			
Accounts payable and accrued expenses	29,707	-	29,707
Prepaid assessments	(2,920)	-	(2,920)
Contingent liabilities	-	257,446	257,446
Net cash flow from operating activities	<u>\$ 32,881</u>	<u>\$ 257,446</u>	<u>\$ 290,327</u>

See accompanying notes to financial statements

**WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - NATURE OF ORGANIZATION

Waterside Village of Palm Beach, Condominium Association, Inc., is a statutory condominium association incorporated in the State of Florida on September 16, 1988. The Association is responsible for the operation and maintenance of the common property of Waterside Village of Palm Beach Condominium Association, Inc. and consists of 412 units. One unit is used as the Association Office.

Each owner is a member of the Association and each parcel is subject to assessments by the Association. The administration of the Association is managed by duly elected seven member Board of Directors.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund—this fund is used to account for financial resources available for the general operations of the Association.

Reserve Fund— this fund is used to accumulate financial resources designated for future major repairs and replacements.

Member Assessments & Assessments Receivable

Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating assessments is satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the reserve fund assessments are satisfied when these funds are expended for their designated purpose. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are thirty days or more delinquent. Any excess assessments at year end are retained by the Association for use in the succeeding year.

The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association's control. The balances of assessments receivable as of the beginning and end of the year are \$10,835 and \$4,850, respectively.

Revenue Recognition

Revenue from maintenance fees is recognized in the period to which it applies, and payments in advance are deferred to the appropriate future period.

Special Assessments

Special assessments are recognized as revenue when the funds are used for the purpose intended. Special assessment revenue is deferred if the expenditure has not yet been incurred. There were no special assessments during the fiscal year ended October 31, 2024.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the balance sheet and statement of cash flows, the Association considers demand deposits with banks, certificates of deposit, money market funds, and any other highly-liquid debt instruments purchased with a maturity of three months or less or with no penalty for early withdrawal to be cash equivalents.

Allocation of Expenses

The responsibility for payment of common expenses is allocated equally among individual unit owners as set forth in the governing documents.

Income Tax

The Association qualifies as a tax-exempt homeowners' association under Internal Revenue Code Section 528 for the year ended October 31, 2024. Under that Section, the Association is not taxed on income and expenses related to its exempt purpose, which is the acquisition, construction, management, maintenance, and care of Association property. Net nonexempt function income, which includes earned interest and revenues received from nonmembers, is taxed at 30% by the federal government and at 5.5% by the State of Florida. The association has no tax liability for the fiscal year ending October 31, 2024.

The Association's tax filings are subject to audit by various taxing authorities. At the report date, the Association's federal income tax returns for 2020-2022 remain open to examination by the Internal Revenue Service. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

Commitments

The Association contracts with several vendors for various services to maintain the common property. These contracts are approved, as necessary, by the Board of Directors and have varying expiration dates and renewal terms.

Interest Income

The Association's policy is to allocate interest earned to the operating and reserve fund in proportion to the interest bearing deposits of each fund.

Property and Equipment

The Association capitalizes all property and equipment to which it holds title or has other evidence of ownership. Real property and common areas acquired from the developer and related improvements to such property are not reflected on the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. Property and equipment are depreciated over the estimated useful lives of the assets using the straight-line method.

Contract Liabilities (Assessments received in advance - reserve fund)

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance - reserve fund) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of contract liabilities (assessments received in advance-reserve fund) as of the beginning and end of the year are \$1,866,412 and \$2,174,814, respectively.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments

The Association's financial instruments consist primarily of cash and cash equivalents, certificates of deposit, annuities, accounts receivable, accounts payable, insurance payable, and prepaid maintenance assessments. The carrying amounts of such financial instruments approximate their respective estimated fair values due to the short-term nature of these instruments. The estimated fair values are not necessarily indicative of the amounts the Association would realize in a current market exchange or from future earnings or cash flows. The Association is invested in certificates of deposit and annuities as of October 31, 2024. For these investments, the Association expects to receive in return the principal value paid, as well as interest earned.

Comprehensive Income

ASC 220 (formerly SFAS No. 130) requires "a full set of general purpose financial statements" to be expanded to include the reporting of comprehensive income. Comprehensive income is comprised of two components, net income and other comprehensive income. For the year ended October 31, 2024, there were no items that qualify as comprehensive income.

NOTE 3 - CONCENTRATION OF CREDIT RISK

The Association maintains accounts at multiple banks in Palm Beach County. Accounts located at each bank are secured by the Federal Deposit Insurance Corporation up to \$250,000. From time to time, the Association may have cash in financial institutions in excess of federally insured limits. As of October 31, 2024, the Association did not have any funds in excess of these limits.

NOTE 4 - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents provide certain guidelines for governing its financial activities. The Association maintains an operating fund available for general operations and a reserve fund designated for future major repairs and replacements. Reserve funds are held in a separate bank account and generally are not available for expenditures for normal operations.

The Association's governing documents and Florida statutes require funds to be accumulated for future major repairs and replacements unless waived by a vote of the membership at a duly held meeting for that purpose. Accumulated funds, which aggregate approximately \$2,174,814 at October 31, 2024, are held in a separate account and are generally not available for operating purposes.

NOTE 4 - FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)

The Board of Directors conducted an informal study in summer 2023 to estimate the remaining useful lives and the replacement costs of the common property and components. Funds are being accumulated in the reserve fund based on estimates of future needs for repairs and replacements of common property components. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the reserve 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, subject to membership approval, to increase regular assessments, levy special assessments, or delay major repairs and replacements until funds are available. Any interest earned on these funds is allocated to the varying components each year. The activity in these accounts is show below:

	Beginning Balance	Additions	CY Interest	Expenses	Transfer	Ending Balance
Roofs	\$ 666,582	\$ 75,000	\$ -	\$ -	\$ 88,782	\$ 830,364
Painting	55,412	-	-	-	1,146	56,558
Asphalt	444,918	61,000	-	-	9,198	515,116
Pools	97,615	5,000	-	(48,054)	2,018	56,579
Awning	84,384	-	-	-	1,745	86,129
Sprinklers	83,263	4,500	-	-	1,722	89,485
TV Infrastructure	97,967	-	-	-	(72,975)	24,992
Infrastructure	20,097	10,000	-	-	416	30,513
Working Capital	278,366	45,000	-	-	5,755	329,121
Interest	37,808	-	50,956	-	(37,807)	50,957
Insurance Deductible	-	105,000	-	-	-	105,000
Total	<u>\$1,866,412</u>	<u>\$ 305,500</u>	<u>\$ 50,956</u>	<u>\$ (48,054)</u>	<u>\$ -</u>	<u>\$ 2,174,814</u>

NOTE 5 - INSURANCE DEDUCTIBLES AND EXPENSE

To comply with Florida Statutes and Generally Accepted Accounting Principles in the United States of America, these financial statements are presented on an accrual basis except for the treatment of insurance expense and related prepaid insurance. Due to rapid escalation of insurance costs, the association has elected to use the cash basis of accounting for the treatment of insurance expense and prepaid insurance. As a result, during the current fiscal year the association has expensed the beginning balance of prepaid insurance expense of \$251,040 that existed on the books as of October 31, 2023. The result of the cash basis treatment of accounting for insurance expense results in the recognition of \$1,069,874 of insurance expense during the fiscal year ended October 31, 2024. The total cash paid for insurance expense during the fiscal year ended September 30, 2024 was \$818,834.

In compliance with the Association's governing documents and Florida statute, the Association maintains multiple types of insurance policies, including property, wind, crime, directors & officers, liability, and an umbrella policy. The policies have various deductibles, some of which are considerable (e.g. Wind). In the event of a disaster, the Association could be exposed to losses for damages in excess of insurance coverage limits, as well as the stated deductibles. Management considers the risk of loss to be remote and its insurance coverage adequate. Information on any of these policies is available from the management office, or you may request a Certificate of Insurance from the Association's insurance agent.

NOTE 6 - BAD DEBT

Associations are now facing an increased risk of bad debt write-offs due to the foreclosure market. Florida statutes currently state that in the event of a bank foreclosure, the bank is required to pay the Association the equivalent of twelve months regular maintenance or 1% of the original mortgage note, whichever is less. The remaining balance must be written off and absorbed by the Association. Bad debt provisions may not be sufficient to cover these losses.

The Association currently is including an estimate of bad debt in the operating budget to cover these potential losses. As of October 31, 2024, there is a provision in the amount of \$2,890.

NOTE 6 - BAD DEBT (Continued)

In the event of a significant shortfall, the Association has the right, subject to member approval, to increase regular assessments, levy special assessments, or to add the shortfall to the following year's budget.

NOTE 7 – EXPENSES

Utilities:	
Electricity	\$ 58,949
Water & Sewer	227,263
Garbage & Recycling	92,919
Propane	144
Cable TV	107,832
Telephone	2,905
WiFi	3,839
Total:	<u>\$ 493,851</u>

NOTE 8 - INVESTMENTS

At year end, the Association's investments consist of the following:

Certificates of Deposit:

<u>Financial Institution</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Year-end Value</u>
Beal Bank #2632	3.10%	6/18/2025	\$ 100,000
State Bank of India	3.40%	8/15/2025	100,000
Morgan Stanley	5.10%	9/28/2026	100,000
Wells Fargo	4.20%	1/19/2027	100,000
BMW Bank	4.75%	5/17/2027	100,000
Wells Fargo	4.85%	5/28/2027	100,000
Sallie Mae Bank	4.45%	8/2/2027	100,000
MVB Bank	3.90%	8/16/2027	100,000
Merrick Bank	3.85%	8/30/2027	100,000
Celtic Bank	3.65%	9/26/2028	100,000
Total			<u>\$ 1,000,000</u>

Annuities

<u>Financial Institution</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Year-end Value</u>
Delaware Life Ins #7020	2.30%	11/29/2026	\$ 133,819
Iberia United Life #1304	2.80%	7/30/2025	250,000
Iberia USA Life #1810	2.40%	11/24/2025	100,000
Athene Annuity #3929	1.50%	1/6/2026	81,469
Iberia Athene Annuity /19993	1.50%	1/6/2026	83,790
Athene Annuity #2832	1.70%	11/1/2024	337,728
Global Atlantic	5.30%	8/8/2026	101,380
Total			<u>\$ 1,088,186</u>

NOTE 9 - PROPERTY & EQUIPMENT

At year end, the Association's fixed assets were comprised of the following:

Equipment	\$	10,641
TV System		194,297
Maintenance Building		6,701
Condominium Unit		71,101
Mizner Road Land		96,916
Land		<u>125,059</u>
Total	\$	504,715
Less: Accum Depr		<u>(282,740)</u>
Capital Assets: Net	\$	<u><u>221,975</u></u>

Included in Equipment is \$18,000 of personal property which was transferred to the Association by the developer on the date of turnover. Such property was recorded based on values provided by the developer.

The Association has decided not to capitalize any further purchases of Property and Equipment, but rather to expense them in the year they occur, with the exception of Land Purchases.

NOTE 10 - DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through January 24, 2025, the date that the financial statements were available to be issued.

**WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
(UNAUDITED)**

The Association has not conducted an independent study to estimate the replacement costs and remaining useful lives of the components of common property. Instead, the Board of Directors conducts a review of the estimate of the remaining useful lives and the replacement costs of the components of common property each year as part of the budget preparation process. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of study. Actual expenditures may vary from these estimated amounts and the variance may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

The following information is based on the study and presents significant information about the components of common property (amounts are rounded to the nearest dollar).

Components	Estimated Life (Years)	Estimated Remaining Useful Life (Years)	Estimated Replacement Costs	Component Fund Balance, 10/31/2024	24/25 Required Minimum Funding
Roofs	40	9	\$ 2,513,454	\$ 830,364	\$ 166,000
Painting	9	1	56,000	56,558	-
Asphalt	30	6	875,000	515,116	40,000
Pools	20	15	125,000	56,579	5,000
Awning	4	1	85,000	86,129	-
Sprinklers	4	2	100,000	89,485	4,500
TV Infrastructure	1	0	-	24,992	-
Infrastructure	3	2	50,000	30,513	10,000
Working Capital	N/A	0	325,000	329,121	-
Interest	N/A	N/A	-	50,957	50,000
Insurance Deductible	N/A	N/A	-	105,000	-
Total reserves			\$ 4,129,454	\$ 2,174,814	\$ 275,500