

**PINE RIDGE AT FT. MYERS VILLAGE I
CONDOMINIUM ASSOCIATION, INC.
FORT MYERS, FLORIDA
AUDITED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	2-3
FINANCIAL STATEMENTS	
Balance Sheet	4
Statement of Revenues, Expenses, and Changes in Fund Balances	5
Statement of Cash Flows	6-7
Notes to Financial Statements	8-13
SUPPLEMENTARY INFORMATION	
Supplementary Information on Future Major Repairs and Replacements	15-17
Schedule of Revenues, Expenses, and Changes in Fund Balances.....	18-19
Schedule of Operating Revenues and Expenses - Budget to Actual.....	20-25

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Pine Ridge at Ft. Myers Village I
Condominium Association, Inc.
Fort Myers, Florida

We have audited the accompanying financial statements of Pine Ridge at Ft. Myers Village I Condominium Association, Inc., which comprise the balance sheet, as of December 31, 2014, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pine Ridge at Ft. Myers Village I Condominium Association, Inc., as of December 31, 2014, and the results of its' operations and its' cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Board of Directors
Pine Ridge at Ft. Myers Village I
Condominium Association, Inc.
Fort Myers, Florida
Page 2 of 2

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements, as a whole. The schedule of operating fund revenues and expenses – budget to 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 information on future major repairs and replacements on pages 15-17 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, 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.

July 17, 2015

Wallace, SizeLove & Company, P.A.

WALLACE, SIZELOVE & COMPANY, P.A.

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2014

	FUNDS		
	Operating	Replacement	Total
ASSETS			
Cash	\$ 453,734	\$ 1,235,534	\$ 1,689,268
Certificates of deposit	-	464,466	464,466
Accounts receivable - members (less allowance for doubtful accounts of \$56,951)	23,986	-	23,986
Insurance receivable	14,796	-	14,796
Prepaid insurance	194,283	-	194,283
Prepaid expenses	24,256	-	24,256
Total assets	<u>\$ 711,055</u>	<u>\$ 1,700,000</u>	<u>\$ 2,411,055</u>
LIABILITIES AND FUND BALANCES			
Accounts payable	\$ 54,666	\$ -	\$ 54,666
Taxes payable	4,463	-	4,463
Assessments received in advance	181,339	-	181,339
Social club funds	420	-	420
Total liabilities	240,888	-	240,888
FUND BALANCES	<u>470,167</u>	<u>1,700,000</u>	<u>2,170,167</u>
Total liabilities and fund balances	<u>\$ 711,055</u>	<u>\$ 1,700,000</u>	<u>\$ 2,411,055</u>

Read Independent Auditors' Report.
The accompanying notes are an integral
part of the financial statements.

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2014

	FUND		
	Operating	Replacement	Total
REVENUES			
Maintenance fees - members	\$ 1,564,068	\$ 155,023	\$ 1,719,091
Interest income	1,270	16,496	17,766
Pool card income	246	-	246
Gate income	501	-	501
Late fees	10,372	-	10,372
Rent income	3,300	-	3,300
Gain on sale of unit	10,428	-	10,428
Screening and application fees	3,374	-	3,374
	<u>1,593,559</u>	<u>171,519</u>	<u>1,765,078</u>
EXPENSES			
Administrative	89,663	-	89,663
Insurance	374,274	-	374,274
Maintenance	113,943	-	113,943
Grounds	179,477	-	179,477
Utilities	546,469	-	546,469
Payroll	161,361	-	161,361
Replacement	-	34,227	34,227
	<u>1,465,187</u>	<u>34,227</u>	<u>1,499,414</u>
Excess of revenues over expenses	128,372	137,292	265,664
FUND BALANCE			
Beginning - January 1, 2014	471,795	1,432,708	1,904,503
Transfers	<u>(130,000)</u>	<u>130,000</u>	<u>-</u>
Ending - December 31, 2014	<u>\$ 470,167</u>	<u>\$ 1,700,000</u>	<u>\$ 2,170,167</u>

Read Independent Auditors' Report.
The accompanying notes are an integral
part of the financial statements.

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

	FUND		
	Operating	Replacement	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Maintenance fees - members received	\$ 1,576,299	\$ 155,023	\$ 1,731,322
Interest income received	1,270	16,496	17,766
Pool card income received	246	-	246
Gate income received	501	-	501
Late fees received	10,372	-	10,372
Rent income received	3,300	-	3,300
Gain on sale of unit received	10,428	-	10,428
Screening and application fees received	3,374	-	3,374
Cash paid for taxes	(4,535)	-	(4,535)
Cash paid for operating expenditures	(1,454,857)	-	(1,454,857)
Cash paid for replacement expenditures	-	(34,227)	(34,227)
Interfund receivable/(payable)	27,983	(27,983)	-
Net cash provided by operating activities	<u>174,381</u>	<u>109,309</u>	<u>283,690</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of certificates of deposit	-	(253,004)	(253,004)
Transfers	(130,000)	130,000	-
Net cash (used) by investing activities	<u>(130,000)</u>	<u>(123,004)</u>	<u>(253,004)</u>
Net increase (decrease) in cash	44,381	(13,695)	30,686
CASH AND CASH EQUIVALENTS -			
January 1, 2014	<u>409,353</u>	<u>1,249,229</u>	<u>1,658,582</u>
CASH AND CASH EQUIVALENTS -			
December 31, 2014	<u>\$ 453,734</u>	<u>\$ 1,235,534</u>	<u>\$ 1,689,268</u>

	FUND		
	Operating	Replacement	Total
RECONCILIATION OF EXCESS OF REVENUES OVER EXPENSES TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Excess of revenues over expenses	\$ 128,372	\$ 137,292	\$ 265,664
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:			
Bad debts	14,932	-	14,932
(Increase) in accounts receivable - members	(5,158)	-	(5,158)
(Increase) in insurance receivable	(14,796)	-	(14,796)
(Increase) in prepaid insurance	(2,173)	-	(2,173)
(Increase) in prepaid expenses	(20,949)	-	(20,949)
Increase in accounts payable	29,850	-	29,850
(Decrease) in taxes payable	(72)	-	(72)
Increase in assessments received in advance	17,389	-	17,389
(Decrease) in social club funds	(997)	-	(997)
Interfund receivable/(payable)	27,983	(27,983)	-
Total adjustments	46,009	(27,983)	18,026
Net cash provided by operating activities	\$ 174,381	\$ 109,309	\$ 283,690

Read Independent Auditors' Report.
The accompanying notes are an integral
part of the financial statements.

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - THE ASSOCIATION

Pine Ridge at Ft. Myers Village I Condominium Association, Inc. (the "Association") was incorporated on February 19, 1985, under the laws of Florida as a corporation not-for-profit, to operate and manage the Pine Ridge at Ft. Myers Village I Condominium. The Association consists of 462 residential units, located in 4 condominiums in Fort Myers, Florida. The owners of all units in the Association are the only members.

NOTE 2 - DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through July 17, 2015; the date that the financial statements were available to be issued.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Accounting

The Association prepares its' financial statements on the accrual basis and presents them as separate funds based on its' different funding policies for operations and replacement expenditures.

Property and Equipment

Ownership of commonly owned real property and certain common personal property is vested directly or indirectly in the unit owners and those assets are not deemed to be severable. As a result, commonly owned assets are not presented in the Association's financial statements.

Revenue Recognition

Maintenance fee revenue is recorded quarterly, in the amount of the membership assessment allocation, specified for current period operations, based on the annual budget determined and approved by the Board of Directors (the "Board"). Each unit owner is an Association member and is assessed maintenance fees for his (her) proportionate share of the common expenses.

Funds

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. The assets of the Association are maintained and classified into separate funds to account for daily operations, deferred maintenance, or capital replacements.

The operating fund reflects the operating portion of quarterly assessments paid by the owners to meet various day-to-day expenditures incurred in the administration, maintenance, and operation of the Association.

The replacement fund is composed of the portion of the quarterly assessments designated in the budget to fund future major repairs and replacements, as further discussed in Note 9.

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Flows

For purposes of the statement of cash flows, the Association considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

The Association made total cash payments of \$4,535 for federal income taxes and no state income taxes during the year ended December 31, 2014.

Estimates

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

NOTE 4 - CASH, CASH EQUIVALENTS, AND CERTIFICATES OF DEPOSIT

The Association maintains its' cash and cash equivalents balance at a financial institution located in Southwest Florida. Accounts at this commercial banking institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. As of December 31, 2014, all of these balances were insured based on bank statement balances less FDIC insurance. The reconciled book balance, as of December 31, 2014, was \$1,689,268.

The Association has certificates of deposit at a financial institution located in Southwest Florida. The financial institution participates in a CDARS program; therefore all amounts are insured by the Federal Deposit Insurance Corporation ("FDIC"). The reconciled book balance, as of December 31, 2014, was \$464,466.

NOTE 5 - ACCOUNTS RECEIVABLE - MEMBERS

Accounts receivable - members consists of maintenance fees billed which have not been collected by the Association, as of December 31, 2014. The accounts receivable have been reduced by an allowance for doubtful accounts of \$56,951. The allowance has been calculated under the assumption that the Association will receive one year's maintenance fees on members who are in foreclosure.

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 6 - FAIR VALUE MEASUREMENTS

The Fair Value Measurements Topic of the FASB Accounting Standards Codification defines fair value, establishes a consistent framework for measuring fair value, and expands disclosure requirements for fair value measurements.

The Association measures the fair value of assets and liabilities, as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Inputs other than quoted market prices included with Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for an asset or liability. Level 3 inputs should be used to measure fair value to the extent that observable level 1 or 2 inputs are not available.

Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The Association's significant financial instruments are cash, accounts receivable, accounts payable, and other short term assets and liabilities. For these financial instruments (level 1), carrying values approximate fair value, because of the short maturity of these instruments.

NOTE 7 - INCOME TAXES

The Association files its' income tax return, as a condominium association, in accordance with Internal Revenue Code Section 528. Under that Section, the Association is not taxed on uniform assessments to members and other income received from Association members solely, as a function of their membership in the Association. The Association is taxed at the rate of 30% on its' investment income and other non-exempt function income. The Association incurred a federal tax expense of \$4,463 and no state income tax expense for the year ended December 31, 2014.

Management considers the likelihood of changes by taxing authorities in its' filed income tax returns and recognizes a liability for or discloses potential changes that management believes are more likely than not to occur upon examination by tax authorities. Management has not identified any uncertain tax positions in filed income tax returns that require recognition or disclosure in the accompanying financial statements. The Association's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

NOTE 8 - ASSESSMENT RECEIVED IN ADVANCE

Assessments received in advance consist of unbilled maintenance fees, which were received by the Association, as of December 31, 2014.

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 9 - REPLACEMENT FUND

The Association's replacement fund is utilized to accumulate funds for future major repairs and replacements, by an initial assessment levied against the initial purchase and on resale homes. Deductions from the fund are recorded as costs, as incurred, which are determined by the Board, to meet the objective for which the fund was established.

The following is a table of the activity in the replacement fund:

Components	Balance January 1, 2014	Additions to Fund	Interest	Expenses	Transfers	Balance December 31, 2014
<u>Condo 1</u>						
Roof	\$ 384,823	\$ 33,673	\$ 4,580	\$ -	\$ 49,425	\$ 472,501
Painting	50,055	9,064	709	-	13,305	73,133
Paving	20,962	2,653	269	-	3,885	27,769
Carpet	26,817	2,488	323	-	3,652	33,280
Meter door and alarms	11,280	-	110	-	-	11,390
Pavement	6,141	1,681	101	-	2,475	10,398
Landscaping	8,243	193	85	-	278	8,799
Balcony resurfacing	7,491	1,351	106	-	1,980	10,928
Interest	-	6,283	(6,283)	-	-	-
Total Condo 1	515,812	57,386	-	-	75,000	648,198
<u>Condo 2</u>						
Roof	175,588	5,981	1,981	-	19,200	202,750
Painting	19,758	3,542	342	-	11,360	35,002
Paving	7,543	736	105	-	2,356	10,740
Carpet	20,482	1,130	249	-	3,624	25,485
Meter door and alarms	5,675	-	56	-	-	5,731
Pavement	2,673	509	47	-	1,632	4,861
Landscaping	13,000	34	130	-	108	13,272
Balcony resurfacing	4,727	533	69	-	1,720	7,049
Interest	-	2,979	(2,979)	-	-	-
Total Condo 2	249,446	15,444	-	-	40,000	304,890

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2014

NOTE 9 - REPLACEMENT FUND – (Continued)

Components	Balance January 1, 2014	Additions to Fund	Interest	Expenses	Transfers	Balance December 31, 2014
<u>Condo 2A</u>						
Roof	60,198	5,007	629	-	-	65,834
Painting	3,071	3,457	63	-	-	6,591
Landscaping	42	162	2	-	-	206
Concrete	4,265	852	49	-	-	5,166
Interest	-	743	(743)	-	-	-
Total Condo 2A	67,576	10,221	-	-	-	77,797
<u>Condo 3</u>						
Roof	248,925	16,893	2,698	-	7,773	276,289
Painting	19,698	12,033	367	-	5,536	37,634
Landscaping	3,776	513	45	-	236	4,570
Concrete	19,216	3,156	123	11,350	1,455	12,600
Interest	-	3,233	(3,233)	-	-	-
Total Condo 3	291,615	35,828	-	11,350	15,000	331,093
<u>Common</u>						
Paving	78,287	9,475	854	-	-	88,616
Clubhouse roof	9,811	458	100	-	-	10,369
Clubhouse painting	5,036	-	49	-	-	5,085
Pavers	13,337	2,263	152	-	-	15,752
Irrigation	9,801	3,891	133	-	-	13,825
Pool furniture	14,680	256	126	1,961	-	13,101
Pool heaters	10,811	3,143	136	-	-	14,090
Pavement sealing	2,182	8,215	101	-	-	10,498
Pool marciting	8,435	2,089	102	-	-	10,626
Pool pumps	3,261	1,161	43	-	-	4,465
Recreation facilities	7,866	-	77	-	-	7,943
Landscaping	11,740	1,529	80	5,040	-	8,309
Association gates	13,570	1,486	147	-	-	15,203

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2014

NOTE 9 - REPLACEMENT FUND – (Continued)

<u>Components</u>	<u>Balance January 1, 2014</u>	<u>Additions to Fund</u>	<u>Interest</u>	<u>Expenses</u>	<u>Transfers</u>	<u>Balance December 31, 2014</u>
Interior						
renovations	1,781	581	23	-	-	2,385
Seawall	26,117	4,523	298	-	-	30,938
Fountains	6,822	675	73	-	-	7,570
Insurance	52,758	-	513	-	-	53,271
Fence painting	11,050	606	114	-	-	11,770
Lift replace- ment	2,830	1,100	38	-	-	3,968
Mailbox replacement	9,789	6,087	-	15,876	-	-
Tennis courts	6,453	702	70	-	-	7,225
Walking path overlay	808	421	12	-	-	1,241
Walking path sealcoating	1,034	721	17	-	-	1,772
Interest	-	3,258	(3,258)	-	-	-
Total common	<u>308,259</u>	<u>52,640</u>	<u>-</u>	<u>22,877</u>	<u>-</u>	<u>338,022</u>
	<u>\$ 1,432,708</u>	<u>\$ 171,519</u>	<u>\$ -</u>	<u>\$ 34,227</u>	<u>\$ 130,000</u>	<u>\$ 1,700,000</u>

Additions to fund include \$16,496 of interest income and transfers from the operating fund balance, in the amount of \$130,000.

The 2015 statutory and approved budgeted funding is \$344,310 and \$289,952, respectively, as shown in the unaudited supplementary information. Funding of the replacement fund is from a combination of maintenance fees, transfers from the operating fund balances, and anticipated interest income. The components' actual replacement cost, useful lives, and investment income may vary from estimated amounts and the variation may be material. 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, through its' Board, has the power to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

NOTE 10 - COMMITMENTS

The Association currently has various contracts with vendors.

SUPPLEMENTARY INFORMATION

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
 SUPPLEMENTARY INFORMATION ON
 FUTURE MAJOR REPAIRS AND REPLACEMENTS
 DECEMBER 31, 2014
 (Unaudited)

The following table is based on estimates provided to the Board in 2014, based on a 2012 professional reserve study, and presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Useful Lives</u>	<u>Estimated Remaining Useful Lives</u>	<u>Estimated Current Replacement Costs</u>	<u>2015 Statutory Funding</u>	<u>2015 Approved Budgeted Funding</u>
Condo 1					
Roof	18 Years	1-5 Years	\$ 801,606	\$ 109,702	\$ 82,035
Painting	8 Years	6 Years	212,051	23,153	23,234
Paving	25 Years	12 Years	108,440	6,723	6,739
Sealcoating	4 Years	3 Years	21,040	3,547	3,567
Carpet	5 Years	1 Year	39,402	6,122	6,382
Meter door & alarms	10 Years	2 Years	11,000	(195)	-
Landscaping	15 Years	14 Years	15,150	454	459
Balcony resurfacing	14 Years	6 Years	31,450	3,420	3,432
Total Condo 1			<u>1,240,139</u>	<u>149,506</u>	<u>125,848</u>
Condo 2					
Roof	18 Years	1-6 Years	358,782	44,581	26,286
Painting	8 Years	6 Years	127,643	15,440	15,468
Paving	25 Years	12 Years	48,984	3,187	3,193
Carpet	5 Years	1 Year	30,248	4,763	4,956
Meter door & alarms	10 Years	2 Years	5,000	(366)	-
Landscaping	15 Years	14 Years	15,050	127	136
Sealcoating	4 Years	3 Years	9,504	1,548	3,232
Balcony resurfacing	14 Years	6 Years	20,966	2,320	2,326
Total Condo 2			<u>616,177</u>	<u>71,600</u>	<u>55,597</u>
Condo 2A					
Roof	18 Years	1-12 Years	118,024	6,959	4,978
Painting	8 Years	6 Years	28,274	3,614	3,614
Landscaping	15 Years	14 Years	2,525	166	166
Concrete repairs	30 Years	1 Year	6,000	834	868
Total Condo 2A			<u>154,823</u>	<u>11,573</u>	<u>9,626</u>

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
 SUPPLEMENTARY INFORMATION ON
 FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)
 DECEMBER 31, 2014
 (Unaudited)

<u>Components-(Continued)</u>	<u>Estimated Useful Lives</u>	<u>Estimated Remaining Useful Lives</u>	<u>Estimated Current Replacement Costs</u>	<u>2015 Statutory Funding</u>	<u>2015 Approved Budgeted Funding</u>
Condo 3					
Roof	18 Years	4-12 Years	570,633	36,793	25,408
Painting	8 Years	6 Years	147,315	18,280	18,296
Landscaping	15 Years	14 Years	15,150	182	758
Concrete repairs	30 Years	5 Years	28,700	5,740	2,890
Total Condo 3			761,798	60,995	47,352
Common					
Paving - overlay	25 Years	12 Years	206,306	9,808	9,866
Clubhouse roof	18 Years	9 Years	14,616	472	482
Clubhouse paint	8 Years	6 Years	5,078	(1)	7
Paving - sealcoating	4 Years	3 Years	40,030	9,844	9,832
Walking path - overlay	25 Years	21 Years	14,016	608	609
Walking path - sealcoating	4 Years	3 Years	2,720	316	318
Pavers	25 Years	13 Years	45,750	2,308	2,316
Irrigation	15 Years	12 Years	62,065	4,020	4,026
Pool furniture	6 Years	1 Year	15,600	2,499	2,621
Pool marciting	15 Years	10 Years	31,960	2,133	2,140
Pool pumps	10 Years	5 Years	10,570	1,221	1,226
Pool heaters	15 Years	12 Years	53,460	3,281	3,288
Facilities	7 Years	3 Years	8,300	119	145
Landscaping	15 Years	14 Years	35,000	1,907	1,910
Gates	30 Years	17 Years	41,200	1,529	1,536
Interior renovations	10 Years	10 Years	15,500	1,312	1,357

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
 SUPPLEMENTARY INFORMATION ON
 FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)
 DECEMBER 31, 2014
 (Unaudited)

<u>Components-(Continued)</u>	<u>Estimated Useful Lives</u>	<u>Estimated Remaining Useful Lives</u>	<u>Estimated Current Replacement Costs</u>	<u>2015 Statutory Funding</u>	<u>2015 Approved Budgeted Funding</u>
Seawall	40 Years	20 Years	126,000	4,753	4,764
Fountains	8 Years	4 Years	12,360	1,198	1,213
Insurance	6 Years	6 Years	50,000	(545)	-
Fence painting	8 Years	6 Years	15,630	643	661
Lift replacement	15 Years	10 Years	15,150	1,118	1,120
Mailbox replacement	30 Years	30 Years	41,360	1,379	1,375
Tennis courts	30 Years	26 Years	25,800	714	717
Total Common			<u>888,471</u>	<u>50,636</u>	<u>51,529</u>
Total			<u>\$ 3,661,408</u>	<u>\$ 344,310</u>	<u>\$ 289,952</u>

Estimated future replacement costs are based on the assumption that the rate of interest income will be what the Board of Directors has projected and inflation was not taken into account.

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Condo 1</u>	<u>Condo 2</u>	<u>Condo 2A</u>
REVENUES			
Maintenance fees - members	\$ 783,736	\$ 426,046	\$ 63,877
Interest income	635	343	51
Pool card income	125	39	2
Gate income	288	111	9
Late fees	5,645	3,938	115
Rent income	-	3,300	-
Gain on sale of unit	10,428	-	-
Screening and application fees	1,763	1,146	80
	<u>802,620</u>	<u>434,923</u>	<u>64,134</u>
EXPENSES			
Administrative	7,159	10,297	72
Insurance	-	-	-
Maintenance	22,103	11,287	545
Grounds	-	-	-
Utilities	-	-	-
Payroll	-	-	-
Common expense allocation	704,413	380,383	56,353
	<u>733,675</u>	<u>401,967</u>	<u>56,970</u>
Total expenses			
	<u>733,675</u>	<u>401,967</u>	<u>56,970</u>
Excess of revenues over expenses	68,945	32,956	7,164
FUND BALANCES			
Beginning - January 1, 2014	214,401	131,143	16,144
Transfers	<u>(75,000)</u>	<u>(40,000)</u>	<u>-</u>
Ending - December 31, 2014	<u>\$ 208,346</u>	<u>\$ 124,099</u>	<u>\$ 23,308</u>

<u>Condo 3</u>	<u>Common</u>	<u>Total</u>
\$ 290,409	\$ -	\$ 1,564,068
241	-	1,270
80	-	246
93	-	501
674	-	10,372
-	-	3,300
-	-	10,428
385	-	3,374
<u>291,882</u>	<u>-</u>	<u>1,593,559</u>
2,000	70,135	89,663
-	374,274	374,274
2,599	77,409	113,943
299	179,178	179,477
-	546,469	546,469
-	161,361	161,361
<u>267,677</u>	<u>(1,408,826)</u>	<u>-</u>
<u>272,575</u>	<u>-</u>	<u>1,465,187</u>
19,307	-	128,372
110,107	-	471,795
<u>(15,000)</u>	<u>-</u>	<u>(130,000)</u>
<u>\$ 114,414</u>	<u>\$ -</u>	<u>\$ 470,167</u>

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF OPERATING REVENUES AND EXPENSES -
BUDGET TO ACTUAL - CONDO 1
FOR THE YEAR ENDED DECEMBER 31, 2014

	Budget <i>(Unaudited)</i>	Actual	Variance Favorable (Unfavorable)
REVENUES			
Maintenance fees - members	\$ 783,631	\$ 783,736	\$ 105
Interest income	-	635	635
Pool card income	-	125	125
Gate income	-	288	288
Late fees	-	5,645	5,645
Gain on sale of unit	-	10,428	10,428
Screening and application fees	-	1,763	1,763
Total revenues	783,631	802,620	18,989
EXPENSES			
ADMINISTRATIVE			
Bad debts	5,000	3,788	1,212
Division fees	927	928	(1)
Professional fees	-	9	(9)
Taxes	-	2,434	(2,434)
Total administrative	5,927	7,159	(1,232)
MAINTENANCE			
Building repairs	2,500	7,110	(4,610)
Fire alarm maintenance	3,150	1,136	2,014
Janitorial	13,820	13,857	(37)
Total maintenance	19,470	22,103	(2,633)
COMMON EXPENSE ALLOCATION	758,234	704,413	53,821
Total expenses	783,631	733,675	49,956
Excess of revenues over expenses	\$ -	\$ 68,945	\$ 68,945

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF OPERATING REVENUES AND EXPENSES -
BUDGET TO ACTUAL - CONDO 2
FOR THE YEAR ENDED DECEMBER 31, 2014

	Budget <i>(Unaudited)</i>	Actual	Variance Favorable (Unfavorable)
REVENUES			
Maintenance fees	\$ 426,158	\$ 426,046	\$ (112)
Interest income	-	343	343
Pool card income	-	39	39
Gate income	-	111	111
Late fees	-	3,938	3,938
Rent income	-	3,300	3,300
Screening and application fees	-	1,146	1,146
Total revenues	426,158	434,923	8,765
EXPENSES			
ADMINISTRATIVE			
Bad debts	5,000	9,488	(4,488)
Division fees	504	504	-
Taxes	-	305	(305)
Total administrative	5,504	10,297	(4,793)
MAINTENANCE			
Entry gate access	1,350	1,021	329
Fire alarm maintenance	1,850	2,237	(387)
Sprinkler repairs	-	-	-
Pool - geo thermal	8,008	8,029	(21)
Total maintenance	11,208	11,287	(79)
COMMON EXPENSE ALLOCATION	409,446	380,383	29,063
Total expenses	426,158	401,967	24,191
Excess of revenues over expenses	\$ -	\$ 32,956	\$ 32,956

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF OPERATING REVENUES AND EXPENSES -
BUDGET TO ACTUAL - CONDO 2A
FOR THE YEAR ENDED DECEMBER 31, 2014

	Budget <i>(Unaudited)</i>	Actual	Variance Favorable (Unfavorable)
REVENUES			
Maintenance fees	\$ 63,864	\$ 63,877	\$ 13
Interest income	-	51	51
Pool card income	-	2	2
Gate income	-	9	9
Late fees	-	115	115
Screening and application fees	-	80	80
Total revenues	63,864	64,134	270
EXPENSES			
ADMINISTRATIVE			
Division fees	72	72	-
Bookkeeping fees	-	-	-
Division fees	-	-	-
Corporate licenses	-	-	-
Office	-	-	-
Office equipment	-	-	-
Postage	-	-	-
Professional fees	-	-	-
Taxes	-	-	-
Contingency	2,750	-	2,750
Total administrative	2,822	72	2,750
MAINTENANCE			
Building repairs	200	359	(159)
Landscape other	-	-	-
Sprinkler repairs	-	-	-
Janitorial	183	186	(3)
Total maintenance	383	545	(162)
COMMON EXPENSE ALLOCATION	60,659	56,353	4,306
Total expenses	63,864	56,970	6,894
Excess of revenues over expenses	\$ -	\$ 7,164	\$ 7,164

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF OPERATING REVENUES AND EXPENSES -
BUDGET TO ACTUAL - CONDO 3
FOR THE YEAR ENDED DECEMBER 31, 2014

	Budget <i>(Unaudited)</i>	Actual	Variance Favorable (Unfavorable)
REVENUES			
Maintenance fees	\$ 290,292	\$ 290,409	\$ 117
Interest income	-	241	241
Pool card income	-	80	80
Gate income	-	93	93
Late fees	-	674	674
Screening and application fees	-	385	385
	<u>290,292</u>	<u>291,882</u>	<u>1,590</u>
EXPENSES			
ADMINISTRATIVE			
Bad debts	-	1,656	(1,656)
Bookkeeping fees	-	-	-
Division fees	-	-	-
Corporate licenses	-	-	-
Office	-	-	-
Office equipment	-	-	-
Postage	-	-	-
Professional fees	-	-	-
Taxes	-	-	-
Division fees	344	344	-
	<u>344</u>	<u>2,000</u>	<u>(1,656)</u>
Total administrative	<u>344</u>	<u>2,000</u>	<u>(1,656)</u>
MAINTENANCE			
Building repairs	950	1,715	(765)
Landscape other	-	-	-
Sprinkler repairs	-	-	-
Janitorial	869	884	(15)
	<u>1,819</u>	<u>2,599</u>	<u>(780)</u>
Total maintenance	<u>1,819</u>	<u>2,599</u>	<u>(780)</u>
GROUNDS			
Landscape maintenance	-	299	(299.00)
	<u>-</u>	<u>299</u>	<u>(299.00)</u>
Total grounds	<u>-</u>	<u>299</u>	<u>(299.00)</u>
COMMON EXPENSE ALLOCATION			
	<u>288,129</u>	<u>267,677</u>	<u>20,452</u>
Total expenses	<u>290,292</u>	<u>272,575</u>	<u>17,717</u>
Excess of revenues over expenses	<u>\$ -</u>	<u>\$ 19,307</u>	<u>\$ 19,307</u>

Read Independent Auditors' Report.

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF OPERATING REVENUES AND EXPENSES -
BUDGET TO ACTUAL - COMMON
FOR THE YEAR ENDED DECEMBER 31, 2014

	Budget <i>(Unaudited)</i>	Actual	Variance Favorable (Unfavorable)
EXPENSES			
ADMINISTRATIVE			
Accounting fees	\$ 33,456	\$ 33,456	\$ -
Audit and tax returns	7,875	-	7,875
Collections	2,000	-	2,000
Corporate licenses	436	436	-
Contingency	30,000	9,483	20,517
Office	7,480	4,712	2,768
Office equipment	3,400	2,530	870
Postage	4,000	3,102	898
Professional and legal fees	21,900	14,692	7,208
Taxes	2,900	1,724	1,176
Total administrative	<u>113,447</u>	<u>70,135</u>	<u>43,312</u>
INSURANCE			
Insurance package	378,617	366,189	12,428
Worker's compensation	8,360	8,085	275
Total insurance	<u>386,977</u>	<u>374,274</u>	<u>12,703</u>
MAINTENANCE			
Building repairs	57,500	50,446	7,054
Entry gate access	3,000	1,238	1,762
Golf carts	1,500	2,724	(1,224)
Pest control	7,020	7,670	(650)
Pool maintenance and supplies	12,500	9,904	2,596
Power equipment	3,000	2,094	906
Clubhouse security	2,744	3,333	(589)
Total maintenance	<u>87,264</u>	<u>77,409</u>	<u>9,855</u>
GROUNDS			
Landscape contract	128,412	124,200	4,212
Landscape maintenance and trees	40,000	25,266	14,734
Irrigation maintenance	29,200	25,276	3,924
Lake maintenance	4,000	4,436	(436)
Total grounds	<u>201,612</u>	<u>179,178</u>	<u>22,434</u>

PINE RIDGE AT FT. MYERS VILLAGE I CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF OPERATING REVENUES AND EXPENSES -
BUDGET TO ACTUAL - COMMON (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budget</u> <i>(Unaudited)</i>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
UTILITIES			
Cable	233,500	237,643	(4,143)
Electric	37,000	37,329	(329)
Telephone	4,200	3,482	718
Trash	44,342	39,811	4,531
Water and sewer	228,126	228,204	(78)
	<u>547,168</u>	<u>546,469</u>	<u>699</u>
Total utilities			
	<u>180,000</u>	<u>161,361</u>	<u>18,639</u>
PAYROLL			
	<u>1,516,468</u>	<u>1,408,826</u>	<u>107,642</u>
Total expenses			
	<u>(1,516,468)</u>	<u>(1,408,826)</u>	<u>(107,642)</u>
COMMON EXPENSE ALLOCATION			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess of revenues over expenses			