

THE STRATFORD AT PELICAN BAY
CONDOMINIUM ASSOCIATION, INC.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

Scullin \$ Associates
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THE STRATFORD AT PELICAN BAY CONDOMINIUM ASSOCIATION, INC.

DECEMBER 31, 2013

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Balance Sheets	3
Statements of Revenues and Expenses	4
Statements of Changes in Fund Balances	5
Statements of Cash Flows	6
Notes to Financial Statements	7
SUPPLEMENTARY INFORMATION	
Accountant's Report on Supplementary Information	12
Schedule of Future Major Repairs and Replacements	13
Schedule of Changes in Replacement Fund Balances	14
Schedules of Operating Fund Expenses	15

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Stratford at Pelican Bay Condominium Association, Inc.
Naples, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of The Stratford at Pelican Bay Condominium Association, Inc., which comprise the balance sheet as of December 31, 2013, 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.

Auditor's 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 auditor's 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 auditor considers internal control relevant to the Association'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 Association'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 that we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Stratford at Pelican Bay Condominium Association, Inc. as of December 31, 2013, 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.

Report on Summarized Comparative Information

We have previously audited The Stratford at Pelican Bay Condominium Association, Inc.'s 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 28, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Scullin and Associates
February 28, 2014

The Stratford at Pelican Bay Condominium Association, Inc.
Balance Sheets
December 31, 2013
With Comparative Totals for 2012

ASSETS

	Operating Fund	Replacement Fund	Totals	2012 Totals
<u>Assets</u>				
Cash	\$ 221,353.56	\$ 1,442,087.71	\$ 1,663,441.27	\$ 709,663.02
Assessments Receivable-Pelican Bay	-	-	-	4,776.00
Special Assessment Receivable	-	563,350.00	563,350.00	-
Other Receivables	13,665.00	-	13,665.00	750.00
Interfund Accounts	57,347.99	(57,347.99)	-	-
Prepaid Insurance	97,163.95	-	97,163.95	91,998.83
Prepaid Expenses	-	-	-	130,544.00
Prepaid Income Tax	1,800.00	-	1,800.00	1,800.00
Utility Deposits	50.00	-	50.00	50.00
Property & Equipment (Net)	15,153.51	-	15,153.51	16,404.51
Total Assets	\$ 406,534.01	\$ 1,948,089.72	\$ 2,354,623.73	\$ 955,986.36

LIABILITIES AND FUND BALANCES

<u>Liabilities</u>				
Accounts Payable	\$ 50,073.54	\$ 10,466.80	\$ 60,540.34	\$ 32,888.65
Retainage Payable	-	148,887.00	148,887.00	-
Accrued Expenses	8,350.00	-	8,350.00	20,920.67
Renovation Deposits	5,595.00	-	5,595.00	-
Prepaid Assessments	84,849.00	-	84,849.00	210,972.00
Prepaid PB Assessment	74,860.00	-	74,860.00	128,952.00
Note Payable - Bank	-	1,591,528.95	1,591,528.95	-
Total Liabilities	223,727.54	1,750,882.75	1,974,610.29	393,733.32
Fund Balances	182,806.47	197,206.97	380,013.44	562,253.04
Total Liabilities and Fund Balances	\$ 406,534.01	\$ 1,948,089.72	\$ 2,354,623.73	\$ 955,986.36

See accompanying auditor's report and notes.

The Stratford at Pelican Bay Condominium Association, Inc.
Statements of Revenues and Expenses
Year Ended December 31, 2013
With Comparative Totals for 2012

	Operating Fund	Replacement Fund	Totals	2012 Totals
<u>Revenues</u>				
Assessments	\$ 980,100.00	\$ 214,812.00	\$ 1,194,912.00	\$ 1,194,912.00
Pelican Bay Foundation	128,952.00	-	128,952.00	122,880.00
Special Assessment	-	2,227,500.00	2,227,500.00	4,898.00
Late Fees	50.00	-	50.00	25.00
Application Fees	2,600.00	-	2,600.00	1,600.00
Miscellaneous Income	5,288.10	-	5,288.10	9,451.43
Interest Income	365.50	9.13	374.63	1,014.93
Total Revenues	<u>1,117,355.60</u>	<u>2,442,321.13</u>	<u>3,559,676.73</u>	<u>1,334,781.36</u>
<u>Expenses</u>				
Inside Maintenance	111,442.99	-	111,442.99	101,534.40
Outside Maintenance	79,331.74	-	79,331.74	90,654.14
Payroll Expenses	273,805.08	-	273,805.08	240,761.41
Utilities	74,405.16	-	74,405.16	85,740.27
Other Expenses	73,688.95	-	73,688.95	25,144.31
Insurance	265,885.44	-	265,885.44	261,422.18
Professional Services	71,708.95	-	71,708.95	154,418.51
Office Expenses	18,300.31	-	18,300.31	15,595.98
Pelican Bay Foundation	128,952.00	-	128,952.00	122,880.00
Special Assessment Expenses	-	2,634,689.71	2,634,689.71	
Replacement Expenses	-	9,706.00	9,706.00	166,342.64
Total Expenses	<u>1,097,520.62</u>	<u>2,644,395.71</u>	<u>3,741,916.33</u>	<u>1,264,493.84</u>
Excess Revenues (Expenses)	<u>\$ 19,834.98</u>	<u>\$ (202,074.58)</u>	<u>\$ (182,239.60)</u>	<u>\$ 70,287.52</u>

See accompanying auditor's report and notes.

**The Stratford at Pelican Bay Condominium Association, Inc.
 Statements of Changes in Fund Balances
 Year Ended December 31, 2013
 With Comparative Totals for 2012**

	Operating Fund	Replacement Fund	Totals	2012 Totals
Fund Balances-Beginning of Year	\$ 162,971.49	\$ 399,281.55	\$ 562,253.04	\$ 491,965.52
Excess Revenue (Expenses)	19,834.98	(202,074.58)	(182,239.60)	70,287.52
Fund Balances-End of Year	\$ 182,806.47	\$ 197,206.97	\$ 380,013.44	\$ 562,253.04

See accompanying auditor's report and notes.

The Stratford at Pelican Bay Condominium Association, Inc.
Statements of Cash Flows
Year Ended December 31, 2013
With Comparative Totals for 2012

	Operating Fund	Replacement Fund	Totals	2012 Totals
<u>Cash Flows from Operating Activities:</u>				
Member Assessments Collected	\$ 933,613.00	\$ 715,562.00	\$ 1,649,175.00	\$ 1,431,604.00
Special Assessments Collected		1,164,150.00	1,164,150.00	0.00
Interest Received	365.50	9.13	374.63	1,014.93
Other Cash Received	(5,726.90)	-	(5,726.90)	11,076.43
Cash Paid for Operating Expenses	(956,916.14)	-	(956,916.14)	(1,198,190.22)
Cash Paid for Replacement Expenses	-	(2,488,807.29)	(2,488,807.29)	(429,282.26)
Net Cash Provided by (Used in) Operating Activities:	<u>(28,664.54)</u>	<u>(609,086.16)</u>	<u>(637,750.70)</u>	<u>(183,777.12)</u>
<u>Cash Flows from Financing Activities</u>				
Interfund Transfers	(58,128.24)	58,128.24	-	-
Proceeds from Note Payable to Bank	-	1,591,528.95	1,591,528.95	-
Net Cash Provided by (Used in) Financing Activities	<u>(58,128.24)</u>	<u>1,649,657.19</u>	<u>1,591,528.95</u>	<u>-</u>
Net Change in Cash & Cash Equivalents	(86,792.78)	1,040,571.03	953,778.25	(183,777.12)
Cash and Cash Equivalents at Beginning of Year	308,146.34	401,516.68	709,663.02	893,440.14
Cash and Cash Equivalents at End of Year	<u>\$ 221,353.56</u>	<u>\$ 1,442,087.71</u>	<u>\$ 1,663,441.27</u>	<u>\$ 709,663.02</u>

Reconciliation of Net Income to Net Cash Provided by (Used in) Operating Activities

Excess Revenues (Expenses)	\$ 19,834.98	\$ (202,074.58)	\$ (182,239.60)	\$ 70,287.52
Adjustments to Reconcile Excess Revenues (Expenses) to Cash Provided by (Used in) Operating Activities:				
Depreciation	1,251.00	-	1,251.00	1,903.00
(Increase) Decrease in Assets:				
Assessments Receivable	4,776.00	-	4,776.00	(4,576.00)
Other Receivables	(13,665.00)	(562,600.00)	(576,265.00)	(750.00)
Prepaid Expenses	125,378.88	-	125,378.88	(119,928.09)
Utility Deposit	-	-	-	(50.00)
Increase (Decrease) in Liabilities:				
Accounts Payable	20,950.27	6,701.42	27,651.69	(265,824.22)
Accrued Expenses	(6,975.67)	148,887.00	141,911.33	20,920.67
Prepaid Assessments	(180,215.00)	-	(180,215.00)	114,240.00
Net Cash Provided by (Used in) Operating Activities	<u>\$ (28,664.54)</u>	<u>\$ (609,086.16)</u>	<u>\$ (637,750.70)</u>	<u>\$ (183,777.12)</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Net cash paid (received) during the year for:

Income taxes:

Federal	\$ -	\$ -
State	\$ -	\$ -
Interest	\$ 22,002.39	\$ -

See accompanying auditor's report and notes.

THE STRATFORD AT PELICAN BAY CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

Note 1- Organization

The Stratford at Pelican Bay Condominium Association, Inc., a not for profit Florida Corporation, is a statutory condominium association which filed its articles of incorporation on May 8, 1981. The Association was formed to provide an entity pursuant to the Florida Homeowners Act for the operation of The Stratford at Pelican Bay, a condominium, consisting of eighty-one (81) residential units located in Naples, Collier County, Florida.

Note 2 - Summary of Significant Accounting Policies

Accrual Basis - The financial statements have been prepared using the accrual method of accounting and pursuant to the requirements of Rule 61B-22.006 of the Florida Administrative Code and as required by generally accepted accounting principles. The accrual method of accounting recognizes revenues when earned and expenses as incurred.

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, this 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.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repairs and replacements.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - For the purpose of the statement of cash flows, the Association considers all bank and similar deposits, demand accounts, money market funds and short term investments with an original maturity of three months or less to be cash.

Assessments Receivable - The Association carries its assessments receivable at cost less an allowance for doubtful accounts. On a periodic basis, the Association evaluates its receivables and establishes an allowance for doubtful accounts, based on a history of past write-offs, collections, and current credit conditions. At that time, the Association determines if an assessment receivable should be written-off. As of December 31, 2013, no allowance for uncollectible accounts was established.

THE STRATFORD AT PELICAN BAY CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

Note 2 - Summary of Significant Accounting Policies- continued

Prepaid Insurance - As of December 31, 2013, the amount of \$97,163.95 was paid in advance. This amount will be considered an expense in the next year.

Property and Equipment - Real property and common areas acquired from the Developer and related improvements to such property, and personal property, are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association.

Accounts Payable and Retainage Payable - As of December 31, 2013, \$60,540.34 and \$148,887.00 of current expenses generated by the Association were payable. These amounts were included in expenses as of December 31, 2013.

Prepaid Assessments - Member fees for next year of \$81,136.00 were received in advance as of December 31, 2013 . These funds will not be included into income until next year.

Taxes - Condominium Associations may be taxed either as homeowners associations or as regular corporations. For the year ended December 31, 2013, the Association elected to be taxed as a homeowners association. As a Condominium Association, membership income is exempt from taxation if certain elections are made, and the Association is taxed only on its non-membership income, such as interest earnings, at current federal and state corporate rates. There were no provisions for federal or state income taxes for the year ended December 31, 2013.

Subsequent Events – Subsequent events have been evaluated through the date of the auditor's report.

Note 3 - Member Assessments

The annual budget and owners' quarterly assessments are determined and approved by the Board of Directors for operating expenses and major repairs and replacements. The December 31, 2013 assessments were as follows:

# Units	Total 81	Qtr 1 81	Qtr 2 81	Qtr 3 81	Qtr 4 81
Operating Assessments	\$ 980,100.00	\$ 245,025.00	\$ 245,025.00	\$ 245,025.00	\$ 245,025.00
Replacement Assessments	214,812.00	53,703.00	53,703.00	53,703.00	53,703.00
	<u>\$1,194,912.00</u>	<u>\$ 298,728.00</u>	<u>\$ 298,728.00</u>	<u>\$ 298,728.00</u>	<u>\$ 298,728.00</u>
Quarterly Per Unit:					
Operating Assessments	\$ 12,100.00	\$ 3,025.00	\$ 3,025.00	\$ 3,025.00	\$ 3,025.00
Replacement Assessments	2,652.00	663.00	663.00	663.00	663.00
	<u>\$ 14,752.00</u>	<u>\$ 3,688.00</u>	<u>\$ 3,688.00</u>	<u>\$ 3,688.00</u>	<u>\$ 3,688.00</u>

THE STRATFORD AT PELICAN BAY CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

Note 4 – Special Assessments

During 2011, the Board of Directors established a Long Range Planning Committee. As a result, plans were approved for certain renovations that would be completed in three phases. Phase One was completed in 2011 and consisted primarily of hallway renovations, and the Board approved a special assessment of \$5,000 per unit totaling \$405,000.00 that was reported as Special Assessment – Phase One income on the 2011 Statement of Revenues and Expenses.

During 2012, the Board approved a plan to consolidate Phases 2 and 3, consisting of several projects not to exceed \$2,700,000.00. In 2012, the Association entered into a loan agreement with a bank to borrow up to \$2,300,000.00 during 2013 to finance the projects, with the remaining costs to be paid from existing cash in the Replacements Fund. The project engineering and design began in 2012, and expenses paid during 2012. Members were assessed for the projects, and have the option to make a full payment of \$27,500.00, or finance the assessment for up to seven (7) years at an interest rate of 4.45%.

The following is a summary of the Special Assessment transactions for December 31, 2013:

Total expenditures - Phase 2 & 3	\$ 2,634,689.71
Assessments to owners:	
81 units at \$27,500.00	<u>2,227,500.00</u>
Balance paid from existing cash in the Replacement Fund	<u>\$ 407,189.71</u>
Amounts billed to owners	\$ 2,227,500.00
Amounts collected through December 31, 2013	<u>1,664,150.00</u>
Balance reported as Special Assessment Receivable	<u>\$ 563,350.00</u>
Proceeds from the loan agreement with the bank	<u>\$ 1,591,528.95</u>

Note 5 - Future Major Repairs and Replacements

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds are held in a money market account, checking accounts and certificates of deposits and are normally unavailable for general operating expenses. During 2013, the Association obtained a Reserve Study that provided estimates of remaining useful lives and the replacement costs of the components of common property from an independent contractor. The table included in the supplementary information on future major repairs and replacements is based on these estimates. All interest earned in this fund is kept in this fund. The Association has elected to use the pooling method of calculating future repairs and replacement funding. The pooling method is a combined approach for calculations. The Florida Administrative Code 61B-22.005(3) allows this method.

THE STRATFORD AT PELICAN BAY CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

Note 5 - Future Major Repairs and Replacements - continued

The Board is funding for major repairs and replacements over the remaining useful lives of the components based on the estimates of future replacement costs and considering amounts accumulated in the replacement fund. Accordingly, the funding requirement of \$185,100.00 has been included in the 2014 budget.

Funds are being accumulated in the replacement fund based on the percentage of estimates of current costs for repairs and replacements of common property components. An independent study has not been made by us to determine the adequacy of the funding program. Actual expenditures and investment income may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future major repairs and replacements. If additional funds are needed, the Association has the right, subject to certain membership approval, to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

Note 6 - Uninsured Cash Balances

The Association maintains its cash balances at various federally insured banks located in Naples, Florida. Accounts at an institution are insured by the Federal Deposit Insurance Corporation up to \$250,000.00. Occasionally during the year, the Association exceeds this threshold. There were approximately \$1,166,500.00 of uninsured balances at December 31, 2013. This was primarily due to the timing of the collection of the Special Assessment and the initial payment of principal on the note payable made after the year end December 31, 2013. As of February 28, 2014, the date of this report, the uninsured balance was approximately \$130,000.00.

Note 7 - Property & Equipment

Property and equipment consist of the following:

	2013	2012
Exercise Equipment	\$ 15,045.10	\$ 15,045.10
Manager's Apartment	38,013.00	38,013.00
Office Equipment	7,737.46	7,737.46
Office Furniture	573.00	573.00
	<u>61,368.56</u>	<u>61,368.56</u>
Less Accumulated depreciation	(46,215.05)	(44,964.05)
	<u>\$ 15,153.51</u>	<u>\$ 16,404.51</u>

Depreciation expense charged to operations was \$1,251.00 and \$1,903.00 for 2013 and 2012, respectively.

THE STRATFORD AT PELICAN BAY CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

Note 8 – Income Taxes

Federal and state income taxes consist of the following:

	2013	
	Federal Taxes	State Taxes
Provision	\$ -	\$ -
Overpayments from prior year	-	1,800.00
Cash payments for this year	-	-
Cash refunds during year	-	-
Balance - Prepaid (Liability)	<u>\$ -</u>	<u>\$ 1,800.00</u>

	2012	
	Federal Taxes	State Taxes
Provision	\$ -	\$ -
Overpayments from prior year	-	1,800.00
Cash payments for this year	-	-
Cash refunds during year	-	-
Balance - Prepaid (Liability)	<u>\$ -</u>	<u>\$ 1,800.00</u>

Note 9 – Pelican Bay Foundation, Inc.

The individual unit owners of the Association are responsible for fees due to Pelican Bay Foundation, Inc. (the Foundation). The Association facilitates the process by invoicing the owners and remitting the fees to the Foundation. Amounts remitted to the Foundation and billed to the owners totaled \$128,952.00 for the year ended December 31, 2013.

SUPPLEMENTARY INFORMATION

SCULLIN & ASSOCIATES

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Independent Accountant's Report on Supplementary Information

Board of Directors
The Stratford at Pelican Bay Condominium Association, Inc.
Naples, FL

Report on Supplementary Information

The audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Changes in Replacement Fund Balances and the Schedules of Operating Expenses are presented for the purpose 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. That information has been subjected to the auditing procedures applied during 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 taken as a whole.

Disclaimer of Opinion on required Supplementary Information

Accounting principles generally accepted in the United States of America require that the accompanying supplementary information on future major repairs and replacements on page 13 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 the 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.

Scullin & Associates
February 28, 2014

The Stratford at Pelican Bay Condominium Association, Inc.
 Schedule I – Supplementary Information on Future Major Repairs & Replacements
 December 31, 2013

The restricted assessments are based on an estimate of expected future replacement or repair costs. We did not analyze or attempt to determine the adequacy of the estimated remaining useful lives and the replacements costs of the components of common property.

A schedule of the fund for major repairs and replacements is as follows:

Common Area Component	Estimated Future Replacement	Estimated Useful Life	Estimated Remaining Life	2014 Funding Requirement	Ending Fund Balance
Fire Sprinkler System	\$ 335,327.40	10-40	9-21		
Interior Common Areas	419,780.73	10-25	0-22		
Mechanical Equipment	711,309.10	10-40	0-17		
Painting & Waterproofing	537,532.20	10-25	2-6		
Pavement	57,748.00	4-25	0-1		
Plumbing	162,000.00	20	-		
Pool & Spa	153,898.60	1-24	0-13		
Roof	285,231.90	30	22		
Shutters	37,765.00	25	16		
Site Improvements	204,682.35	1-25	0-7		
Structural & Concrete	520,000.00	1-20	0-12		
	<u>\$ 3,425,275.28</u>			<u>\$ 185,100.00</u>	<u>\$ 197,206.97</u>

The Stratford at Pelican Bay Condominium Association, Inc.
 Schedule II – Supplementary Information of Changes in Replacement Fund Balances
 December 31, 2013

	Beginning Fund Balance	2013 Funding	Special Assessment	Interest Income	Expenses	Ending Fund Balance
Pooled Funds	\$ 399,281.55	\$ 214,812.00	\$ 2,227,500.00	\$ 9.13	\$(2,644,395.71)	\$ 197,206.97

Pooled Expenditures

Phase 2&3	\$ 2,634,689.71
Other	9,706.00
	<u>\$ 2,644,395.71</u>

The Stratford at Pelican Bay Condominium Association, Inc.
Schedules of Operating Fund Expenses
December 31, 2013

<u>INSIDE MAINTENANCE</u>	<u>2013</u>	<u>2012</u>
Pest Control	\$ 1,701.00	\$ 2,090.00
Painting (Touch-up)	1,812.09	445.04
A/C Service Contract	12,201.50	12,137.00
Cleaning Supplies	1,956.25	2,533.59
Lighting Supplies	3,606.67	1,274.15
Inside Repairs & Supplies	27,866.52	17,338.97
Elevator	19,485.95	19,939.79
Fire Alarm System	11,371.03	12,894.12
Mechanicals	15,785.40	17,079.87
Association Unit	384.41	384.44
Security System	2,940.65	3,013.54
Carpet & Floor Cleaning	1,335.00	679.15
Gym Accessocries	10,996.52	11,724.74
	<u>\$ 111,442.99</u>	<u>\$ 101,534.40</u>

<u>OUTSIDE MAINTENANCE</u>	<u>2013</u>	<u>2012</u>
Lights	\$ 2,832.46	\$ 3,200.48
Landscaping Contract	11,050.00	17,400.00
Pool & Spa Repairs	3,094.64	5,722.78
Roof Fans	329.66	3,127.99
Window Washing	6,410.00	8,350.00
Tools & Small Equipment	2,207.52	2,230.47
Landscaping & Irrigation	5,539.69	11,390.86
Pool & Spa Supplies	1,639.09	2,947.51
Outside Repairs	45,159.48	34,260.17
Painting	1,069.20	2,023.88
	<u>\$ 79,331.74</u>	<u>\$ 90,654.14</u>

<u>PAYROLL EXPENSES</u>	<u>2013</u>	<u>2012</u>
Managers	\$ 76,203.21	\$ 70,000.00
Maintenance	75,615.87	58,223.59
Medical Insurance	18,541.87	9,358.45
Employee 401(k)	2,539.86	833.40
Hourly Administrative	44,056.65	42,275.37
Housekeepinmg Contract	25,127.84	34,826.78
Payroll Accrual	13,725.62	9,201.84
FUTA	581.90	324.93
SS & Medicare	15,218.08	13,464.73
SUTA	2,194.18	2,252.32
	<u>\$ 273,805.08</u>	<u>\$ 240,761.41</u>

The Stratford at Pelican Bay Condominium Association, Inc.
Schedules of Operating Fund Expenses
December 31, 2013

<u>UTILITIES</u>	<u>2013</u>	<u>2012</u>
Electric	\$ 34,201.07	\$ 43,643.23
Trash & Recycling	11,083.94	10,448.63
Water & Sewer	25,492.43	27,437.24
Cable-Exercise Room	3,627.72	4,211.17
	<u>\$ 74,405.16</u>	<u>\$ 85,740.27</u>
<u>OTHER EXPENSES</u>	<u>2013</u>	<u>2012</u>
Socials	\$ 8,631.56	\$ 3,568.77
Pelican Bay Foundation	1,592.00	1,536.00
Cintingency	62,214.39	18,136.54
Depreciation	1,251.00	1,903.00
	<u>\$ 73,688.95</u>	<u>\$ 25,144.31</u>
<u>INSURANCE</u>	<u>2013</u>	<u>2012</u>
Commercial Flood	\$ 7,893.96	\$ 5,614.92
Directors & Officers	1,121.50	1,403.88
Umbrella	3,105.00	3,782.60
Property	65,206.96	58,389.81
Windstorm	168,820.09	175,091.56
Workers Compensation	652.00	770.14
Workers Compensation (GSI)	6,611.11	3,244.68
Fidelity Bond	1,119.24	1,169.04
Boiler & Machinery	1,598.40	1,598.40
Liability	4,739.53	4,648.95
Excess Flood	5,017.65	5,708.20
	<u>\$ 265,885.44</u>	<u>\$ 261,422.18</u>
<u>PROFESSIONAL SERVICES</u>	<u>2013</u>	<u>2012</u>
Professional Services	\$ 4,125.78	\$ (1,282.00)
Professional Services - Phase 2	-	86,202.84
Audit / Reserve Study	7,965.00	6,670.00
Legal	10,300.50	16,230.25
License / Fees / Meetings	4,419.63	2,330.33
Division Fee	328.00	61.25
Management Fees	44,570.04	44,205.84
	<u>\$ 71,708.95</u>	<u>\$ 154,418.51</u>

The Stratford at Pelican Bay Condominium Association, Inc.
Schedules of Operating Fund Expenses
December 31, 2013

<u>OFFICE EXPENSES</u>	<u>2013</u>	<u>2012</u>
Postage & Delivery	\$ 2,470.37	\$ 2,138.42
Office Supplies & Expense	9,541.49	8,174.92
Telephone	5,331.05	4,469.24
Comcast Internet	957.40	813.40
	<u>\$ 18,300.31</u>	<u>\$ 15,595.98</u>
<u>PELICAN BAY FOUNDATION</u>	<u>2013</u>	<u>2012</u>
Pelican Bay Foundation	<u>\$ 128,952.00</u>	<u>\$ 122,880.00</u>