

VISTA PLANTATION CONDOMINIUM ASSOCIATION
Board of Directors' Meeting Agenda
June 1, 2020 – 1:00 PM

ROLL CALL ~ Secretary, *Doreen Whitehead*

PROOF OF DUE NOTICE OF BOARD MEETING ~ Secretary, *Doreen Whitehead* states Proof of Due Notice of today's Board Meeting was posted on May 27, 2020 at the Clubhouse, Rec B and website.

READING & DISPOSAL OF ANY UNAPPROVED MINUTES ~ Secretary, *Doreen Whitehead* makes a motion to approve Board Meeting Minutes of May 7, 2020 that were posted on Clubhouse, Rec B and website on May 11, 2020.

REPORTS OF OFFICERS AND COMMITTEES:

1. Treasurer's Report (audit)

Mike Whalen

New Business:

Audit performed by CPA, Nuttall & Associates for 2019-2020 budget year

Member participation on AGENDA ITEMS:

3 minutes per individual when recognized by meeting chairperson

EXECUTIVE SESSION TO FOLLOW

VISTA PLANTATION ASSOCIATION, INC.

**Financial Statements and Supplementary Information
with
Independent Auditors' Report**

February 29, 2020
(With Comparative Totals for 2019)

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Independent Auditors' Report

To the Board of Directors and Members
Vista Plantation Association, Inc.
Vero Beach, Florida

We have audited the accompanying financial statements of Vista Plantation Association, Inc., which comprise the balance sheet as of February 29, 2020, and the related statements of revenues and 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 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 Vista Plantation Association, Inc. as of February 29, 2020, 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.

Emphasis of Matter

As discussed in Note 15 to the financial statements, in 2019-20, Vista Plantation Association, Inc. did not adopt Accounting Standards Update (ASU) No. 2016-10, *Revenue from Contracts with Customers (Topic 606)*; *Identifying Performance Obligations and Licensing*. Our opinion is not modified with respect to this matter.

To the Board of Directors
Vista Plantation Association, Inc.

Report on Summarized Comparative Information

We have previously audited Vista Plantation Association, Inc.'s 2018-19 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated April 29, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended February 28, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of operating fund revenues and expenses and the schedule of changes in replacement fund balances on pages 13-16, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information, except for the portion marked "unaudited", 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. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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 of common property on page 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, which considers it to be an essential part of the 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.



Nuttall, Donini & Associates, CPA's
Certified Public Accountants

April 16, 2020

Vista Plantation Association, Inc.
Balance Sheet
February 29, 2020
(With comparative totals for 2019)

| | 2020 | | | 2019 |
|---|----------------|------------------|--------------|-------------------|
| | Operating Fund | Replacement Fund | Total | Total (memo only) |
| Assets | | | | |
| Cash and cash equivalents | \$ 483,365 | \$ 1,098,843 | \$ 1,582,208 | \$ 1,128,364 |
| Investments | - | 199,918 | 199,918 | 197,889 |
| Assessments receivable, net of allowance for doubtful accounts of \$6,114 | 18,300 | - | 18,300 | 4,111 |
| Prepaid expenses | 326,385 | - | 326,385 | 280,729 |
| Utility deposits | 115 | - | 115 | - |
| Interfund borrowings | 2,266 | (2,266) | - | - |
| | \$ 830,431 | \$ 1,296,495 | \$ 2,126,926 | \$ 1,611,093 |
| Liabilities and Fund Balance | | | | |
| Liabilities | | | | |
| Accounts payable | \$ 44,506 | \$ - | \$ 44,506 | \$ 60,616 |
| Prepaid assessments | 79,137 | - | 79,137 | 68,852 |
| Deferred revenue | 165,328 | - | 165,328 | - |
| Income taxes payable | 820 | - | 820 | 418 |
| | 289,791 | - | 289,791 | 129,886 |
| Fund Balance | 507,727 | 1,296,495 | 1,804,222 | 1,435,890 |
| Designated for landscape replacement | 32,913 | - | 32,913 | 45,317 |
| | \$ 830,431 | \$ 1,296,495 | \$ 2,126,926 | \$ 1,611,093 |

See accompanying notes to financial statements.

Vista Plantation Association, Inc.
Statement of Revenues and Expenses and Changes in Fund Balances
Year ended February 29, 2020
(With comparative totals for 2019)

| | 2020 | | | 2019 |
|---|----------------|------------------|--------------|-------------------|
| | Operating Fund | Replacement Fund | Total | Total (memo only) |
| Revenues | | | | |
| Regular assessments | \$ 1,692,266 | \$ 559,210 | \$ 2,251,476 | \$ 2,169,271 |
| Special assessment | 467,004 | - | 467,004 | - |
| Lease and resale fees | 14,100 | - | 14,100 | 13,300 |
| Lake maintenance-golf course | 7,355 | - | 7,355 | 7,714 |
| Insurance settlement income | 275,000 | - | 275,000 | - |
| Interest and other income | 12,069 | 14,492 | 26,561 | 43,169 |
| Unrealized gains (losses) | - | 350 | 350 | (962) |
| | 2,467,794 | 574,052 | 3,041,846 | 2,232,492 |
| Expenses | | | | |
| Utilities | 628,132 | - | 628,132 | 605,353 |
| Pool maintenance | 21,805 | - | 21,805 | 22,507 |
| Clubhouse maintenance | 10,168 | - | 10,168 | 8,110 |
| General and administrative | 458,008 | - | 458,008 | 347,004 |
| Building maintenance | 618,745 | - | 618,745 | 102,886 |
| Salaries and benefits | 290,866 | - | 290,866 | 259,971 |
| Grounds maintenance | 302,685 | - | 302,685 | 287,361 |
| Common area restoration | - | 245,325 | 245,325 | 401,418 |
| Common area buildings | - | 20,429 | 20,429 | 10,769 |
| Common area amenities | - | 516 | 516 | 3,227 |
| Painting | - | - | - | 177,000 |
| Pool | - | 10,255 | 10,255 | - |
| Roof | - | 2,247 | 2,247 | 134,355 |
| Roads | - | 76,737 | 76,737 | 110,804 |
| | 2,330,409 | 355,509 | 2,685,918 | 2,470,765 |
| Excess (deficit) of revenues over expenses | 137,385 | 218,543 | 355,928 | (238,273) |
| Fund Balance, beginning of year | 403,255 | 1,077,952 | 1,481,207 | 1,719,480 |
| Fund Balance, end of year | \$ 540,640 | \$ 1,296,495 | \$ 1,837,135 | \$ 1,481,207 |

See accompanying notes to financial statements.

Vista Plantation Association, Inc.
Statement of Cash Flows
Year ended February 29, 2020
(With comparative totals for 2019)

| | 2020 | | | 2019 |
|--|----------------|------------------|--------------|-------------------|
| | Operating Fund | Replacement Fund | Total | Total (memo only) |
| Cash flows from operating activities: | | | | |
| Assessments collected | \$ 2,320,694 | \$ 559,210 | \$ 2,879,904 | \$ 2,173,289 |
| Interest and other revenues received | 33,524 | 14,492 | 48,016 | 64,183 |
| Settlement income received | 275,000 | - | 275,000 | - |
| Cash paid for expenditures | (2,384,200) | (360,059) | (2,744,259) | (2,411,861) |
| Income taxes paid | (3,138) | - | (3,138) | (2,513) |
| Net cash provided by (used for) operating activities | 241,880 | 213,643 | 455,523 | (176,902) |
| Cash flows from investing activities: | | | | |
| Interest earned on investments | - | (1,679) | (1,679) | (1,757) |
| Net cash used for investing activities | - | (1,679) | (1,679) | (1,757) |
| Cash flows from financing activities: | | | | |
| Interfund borrowings | (125,086) | 125,086 | - | - |
| Net increase (decrease) in cash | 116,794 | 337,050 | 453,844 | (178,659) |
| Cash and cash equivalents, beginning of year | 366,571 | 761,793 | 1,128,364 | 1,307,023 |
| Cash and cash equivalents, end of year | \$ 483,365 | \$ 1,098,843 | \$ 1,582,208 | \$ 1,128,364 |
| Reconciliation of excess (deficit) of revenues over expenses to net cash provided by (used for) operating activities: | | | | |
| Excess (excess) of revenues over expenses | \$ 137,385 | \$ 218,543 | \$ 355,928 | \$ (238,273) |
| Adjustments: | | | | |
| Unrealized (gains) losses | - | (350) | (350) | 962 |
| (Increase) decrease in: | | | | |
| Assessments receivable | (14,189) | - | (14,189) | 961 |
| Prepaid expenses | (45,656) | - | (45,656) | 36,481 |
| Utility deposit | (115) | - | (115) | - |
| Increase (decrease) in: | | | | |
| Accounts payable | (11,560) | (4,550) | (16,110) | 19,725 |
| Prepaid assessments | 10,285 | - | 10,285 | 3,057 |
| Deferred revenue | 165,328 | - | 165,328 | - |
| Income taxes payable | 402 | - | 402 | 185 |
| Net cash provided by (used for) operating activities | \$ 241,880 | \$ 213,643 | \$ 455,523 | \$ (176,902) |

See accompanying notes to financial statements.

Vista Plantation Association, Inc.
Notes to Financial Statements

Note 1 – Nature of Organization

Vista Plantation Association, Inc. (the Association), a non-profit corporation located in Vero Beach, Florida, was formed in 1984 to act as the governing association operating and maintaining the common areas of 564 condominium units. The common property includes areas surrounding 47 buildings, a clubhouse, a bath house, two swimming pools, tennis courts, shuffleboard/bocce courts, a picnic area, lakes, an RV/boat storage facility, roadways, walkways, and landscaping.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The Association prepares its financial statements on the accrual basis of accounting.

Fund Accounting

The Association presents separate funds based on its different funding policies for operations and capital replacements.

The operating fund reflects the operating assessments paid by unit owners to meet the regular, recurring costs of operations. Expenditures of this fund are limited to those connected with the day-to-day operations and the replacements, major repairs and the purchase of additional commonly owned assets for which no replacement fund component has been established. The income and expenses of the Association are allocated to the unit owners based on the size of the units.

The replacement fund is composed of all capital assessments paid by unit owners to fund future replacements and major repairs of certain commonly owned assets. Expenditures from this fund are restricted to those items for which assessments were levied. Interest earned on the replacement fund cash accounts is allocated to each component based on its balance and retained in the fund.

All assessments receivable and prepaid assessments are deemed due to or from the operating fund. The Association's policy is to fund fully within the replacement funds each month without regard to underpayments or overpayments by members to the operating fund.

Excess Operating Funds

The Association retains excess operating funds, if any, at the end of the operating year for use in future operating periods.

Common Property

Ownership of commonly owned assets is vested directly or indirectly in the unit owners and these assets are not deemed to be severable. As a result, commonly owned assets are not capitalized in the Association's financial statements.

Cash and Cash Equivalents

Cash equivalents include highly liquid, short-term, money market funds with original maturities of three months or less.

Accounting 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 financial position of the Association at February 29, 2020, includes certain financial instruments that may have a fair value that is different from the value currently reflected in the financial statements. In reviewing the financial statements of the Association, certain assumptions and methods were used to determine the fair value of each category of financial instruments for which it is practicable to estimate that value.

The carrying amounts of the Association's financial instruments generally approximate their fair values at February 29, 2020.

Subsequent Events

Management has evaluated subsequent events through April 16, 2020, the date the financial statements were available to be issued.

Prior Period Information

The financial statements include certain prior-year summarized comparative information in total but not by fund. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended February 28 of the prior year, from which the summarized information was derived.

Note 3 – Cash Balances

Financial instruments which potentially subject the Association to a concentration of credit risk include cash held at financial institutions, which may exceed FDIC insurance limits or be subject to risks associated within the underlying securities. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk related to its cash balances.

Note 4 – Fair Value Measurements

Generally accepted accounting principles establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the value hierarchy under generally accepted accounting principles are described below:

Level 1 Measurements – Quoted prices in active markets for identical assets or liabilities. The Association has no Level 1 fair value measurements.

Level 2 Measurements – Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 Measurements – Inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The Association has no Level 3 fair value measurements.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques followed need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Note 4 – Fair Value Measurements (continued)

The following table sets forth, by level within the fair value hierarchy, a summary of the Association's investments that were measured at fair value on a recurring basis as of February 29, 2020:

| Fair Value Measurements at Reporting Date Using | | | | |
|---|------------|---|---|--|
| | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Certificates of deposit | \$ 118,002 | \$ - | \$ 118,002 | \$ - |
| U.S. Treasury Note | 81,916 | - | 81,916 | - |
| | \$ 199,918 | \$ - | \$ 199,918 | \$ - |

The Association recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the year ended February 29, 2020.

Note 5 – Investments

Investments consist of the following as of February 29, 2020:

| | Cost | Fair Value | Unrealized Gains (Losses) |
|-------------------------|------------|------------|---------------------------------|
| Certificates of deposit | \$ 118,002 | \$ 118,002 | \$ - |
| U.S. Treasury Note | 80,100 | 81,916 | 1,816 |
| | \$ 198,102 | \$ 199,918 | \$ 1,816 |

The components of total investment return from investments for February 29, 2020, are reflected below:

| | |
|---------------------------|----------|
| Interest | \$ 4,929 |
| Unrealized gains (losses) | 1,816 |
| | \$ 6,745 |

Note 6 – Assessments Receivable

Assessments receivable are stated net of an allowance for doubtful accounts. Due to the current economic environment, the Association estimates an allowance based on an analysis of the collectability of unit owner accounts; taking into consideration certain factors, such as the age of past due amounts, an assessment of the unit owner's ability to pay, lien and foreclosure status, legal fees and Florida mandated collection liability limits. The allowance for doubtful accounts for assessments receivable was \$6,114 at February 29, 2020.

Note 7 – Income Taxes

Associations may elect to be taxed under Internal Revenue Code (“IRC”) Section 277, which applies to certain membership organizations, or under IRC Section 528, which applies specifically to homeowner associations as that term is defined for tax purposes. For the year ended February 29, 2020, the Association was taxed under the provisions of IRC Section 277 (Federal Form 1120). Under IRC Section 277, the Association is required to separate membership income and expenses from non-membership income and expenses. Each component is taxed separately; however, net membership income is exempt from taxation if certain elections are made.

The Association’s federal income tax returns for 2017, 2018 and 2019 are subject to examination by the IRS, generally for three years after they were filed. In addition, the Association’s state tax returns for the same years are subject to examination by state tax authorities for similar time periods. In evaluating the Association’s tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

Note 8 – Future Major Repairs and Replacements

Florida Statutes require the Association to accumulate funds for future major repairs and replacements. Accumulated funds are held in separate interest bearing accounts and generally are not available for expenditures for normal operations.

In connection with preparing the budget, the Board of Directors conducted a study to estimate the remaining useful lives and the replacement costs of the components of common property. The table included in the unaudited supplementary information on future major repairs and replacements is based on the study.

The Board of Directors is funding for major repairs and replacements over the remaining useful lives of the components based on the study’s estimates of current replacement costs and considering amounts previously accumulated in the replacement fund. Accordingly, a funding requirement of \$447,300 has been included in the 2020-21 budget. At the January 9, 2020 annual meeting, the unit owners voted to waive the funding for the carport reserves. For that reason, and because actual expenditures may vary from the estimated future expenditures, and the variations may be material, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

Note 9 – Special Assessment

Occasionally, the Association undertakes projects that have not been adequately provided for in the operating budget or by accumulated replacement funds. Such projects are funded by special assessments adopted by the Association’s Board of Directors.

At the July 11, 2019 meeting, the Board of Directors approved a special assessment in the amount of \$632,332 for re-piping the buildings. The Association reported \$467,004 of related expenses in 2019-20. A total of \$165,328 was deferred.

Note 10 – Designated for Landscape Replacement

The Board of Directors voted to designate unused funds of \$32,913, collected in prior years, to 2020-21 landscaping projects.

Vista Plantation Association, Inc.
Notes to Financial Statements (continued)

Note 11 – Cable Contract

In 2012, the Association entered into an agreement with Comcast Cable to provide bulk digital service at reduced rates. The contract is for a ten-year term, with automatic renewals for successive periods of two years, and provides for annual increases not to exceed five percent.

Note 12– Lake System Contribution Agreement

On June 4, 2013, the Association entered into an agreement with Vista Properties of Vero Beach, Inc. to share in the maintenance of the lake system, of which the Association owns in fee simple approximately 48%, and Vista Properties of Vero Beach, Inc. 52%. Vista Properties of Vero Beach, Inc. has agreed to reimburse the Association one-half of the Association's total maintenance costs for maintaining the entire lake system. This agreement is for a thirty-year term, with automatic renewals for successive periods of ten years. During 2019-20, Vista Properties of Vero Beach, Inc. contributed \$7,355 toward these costs.

Note 13 – Contingency

The insurance policies maintained by the Association provide that in the event of damage caused by catastrophic events, a deductible of the insured value of the property is the Association's obligation. In such event, if the funds needed to pay for this deductible are not available at the time of the event, the Board of Directors may increase regular assessments, approve a special assessment, or delay repairs until such funds are available.

Note 14– Insurance Settlement

The Association brought a suit against Citizens Property Insurance Corporation, in which they were seeking a refund for the overcharging of premiums due to improper classification of the property. During 2019-20 the suit was settled and the Association was awarded a settlement of \$275,000. The Association incurred legal fees of \$96,656 and received a net amount of \$178,344.

Note 15 – New Accounting Pronouncement

Effective December 15, 2018, the Financial Accounting Standards Board (FASB) issued new guidance for revenue recognition, ASC 606, *Revenue from Contracts with Customers*. The Association did not adopt this new guidance. As a result, unspent replacement funds will continue to be treated as replacement fund balance rather than as a contract liability. Also, any assessments deemed to be uncollectible will continue to be treated as bad debt expense, as opposed to reducing current year operating revenue. The Association has not determined the effects on these financial statements had the policy been adopted.

SUPPLEMENTARY INFORMATION

Vista Plantation Association, Inc.
Schedule of Operating Fund Revenues and Expenses

| Year ended February 29, | 2020 | | | 2019 |
|-------------------------------|--------------|--------------|--|--------------|
| | Actual | Budget | Variance Favorable (Unfavorable) | Actual |
| | | (Unaudited) | (Unaudited) | |
| Revenues | | | | |
| Regular assessments | \$ 1,692,266 | \$ 1,690,013 | \$ 2,253 | \$ 1,678,971 |
| Special assessment | 467,004 | - | 467,004 | - |
| Lease and resale fees | 14,100 | 15,000 | (900) | 13,300 |
| Lake maintenance-golf course | 7,355 | 8,000 | (645) | 7,714 |
| Insurance settlement income | 275,000 | - | 275,000 | - |
| Interest and other income | 12,069 | 33,406 | (21,337) | 33,306 |
| | 2,467,794 | 1,746,419 | 721,375 | 1,733,291 |
| Expenses | | | | |
| Utilities: | | | | |
| Trash | 48,049 | 48,000 | (49) | 47,291 |
| Electricity | 30,166 | 40,000 | 9,834 | 38,444 |
| Water | 85,909 | 80,000 | (5,909) | 78,017 |
| Sewer | 132,526 | 129,000 | (3,526) | 126,926 |
| Cable television | 331,482 | 331,390 | (92) | 314,675 |
| | 628,132 | 628,390 | 258 | 605,353 |
| Pool Maintenance: | | | | |
| Maintenance | 10,320 | 10,500 | 180 | 9,960 |
| Gas | 8,745 | 9,000 | 255 | 8,094 |
| Repairs | 1,736 | 3,000 | 1,264 | 4,353 |
| Supplies | 1,004 | 700 | (304) | 100 |
| | 21,805 | 23,200 | 1,395 | 22,507 |
| Clubhouse Maintenance: | | | | |
| Equipment repairs | 2,701 | 2,500 | (201) | 2,754 |
| Building repairs | 1,980 | 2,000 | 20 | 1,547 |
| Supplies | 4,563 | 4,500 | (63) | 3,591 |
| Picnic shelter | 924 | 1,000 | 76 | 218 |
| | 10,168 | 10,000 | (168) | 8,110 |

Vista Plantation Association, Inc.

Schedule of Operating Fund Revenues and Expenses (continued)

| Year ended February 29, | 2020 | | 2019 | |
|------------------------------------|-------------|-------------|--|----------|
| | Actual | Budget | Variance Favorable (Unfavorable) | Actual |
| | (Unaudited) | (Unaudited) | (Unaudited) | |
| General and Administrative: | | | | |
| Office supplies | 4,694 | 3,000 | (1,694) | 4,259 |
| Admin collection costs | 2,325 | 2,000 | (325) | 2,105 |
| Printing | 6,766 | 10,000 | 3,234 | 2,542 |
| Copier lease | 1,378 | - | (1,378) | - |
| Telephone | 4,688 | 4,500 | (188) | 4,388 |
| Bank charges | 724 | 400 | (324) | 742 |
| Computer expenses | 550 | 500 | (50) | 836 |
| Postage | 2,795 | 2,000 | (795) | 2,016 |
| Directory expense | 2,888 | 2,500 | (388) | - |
| Management fee | 18,000 | 18,000 | - | 17,952 |
| Insurance | 279,721 | 320,000 | 40,279 | 285,306 |
| Professional fees | 116,496 | 22,000 | (94,496) | 12,560 |
| Condominium Fees | 2,256 | 2,256 | - | 2,444 |
| Income and other taxes | 4,776 | 3,475 | (1,301) | 3,870 |
| Bad debt (recovery) expense | 5,000 | - | (5,000) | 7,984 |
| Security services | 1,618 | - | (1,618) | - |
| CPR classes | 3,333 | - | (3,333) | - |
| | 458,008 | 390,631 | (67,377) | 347,004 |
| Building Maintenance: | | | | |
| Janitorial supplies | - | - | - | 662 |
| Janitorial service | 35,015 | 35,500 | 485 | 15,263 |
| Pressure washing | 36,038 | 33,000 | (3,038) | 36,785 |
| Light replacement | 5,331 | 3,000 | (2,331) | 1,998 |
| Maintenance supplies | 18,321 | 14,000 | (4,321) | 16,143 |
| Pest control | 10,457 | 10,500 | 43 | 9,903 |
| Termite abatement | 15,948 | 16,000 | 52 | 15,950 |
| Wood | 350 | 2,000 | 1,650 | 8,673 |
| Painting | 1,579 | 1,750 | 171 | 718 |
| Concrete repairs | 1,482 | 2,000 | 518 | 230 |
| Meter and dump doors | 130 | 1,000 | 870 | 686 |
| Cart, gas, maintenance | 2,065 | 2,000 | (65) | 2,361 |
| Fire extinguishers | 3,992 | 3,000 | (992) | 2,954 |
| RV area | 188 | 500 | 312 | 1,209 |
| Gutters and drainage | 275 | 500 | 225 | 324 |
| Association paid expenses | 4,085 | 3,000 | (1,085) | (10,973) |
| A/C unit replacements | 16,485 | - | (16,485) | - |
| Re-pipe project | 467,004 | - | (467,004) | - |
| | 618,745 | 127,750 | (490,995) | 102,886 |

Vista Plantation Association, Inc.
Schedule of Operating Fund Revenues and Expenses (continued)

| Year ended February 29, | 2020 | | | 2019 |
|---|-------------------|-------------|--|-------------------|
| | Actual | Budget | Variance Favorable (Unfavorable) | Actual |
| | | (Unaudited) | (Unaudited) | |
| Salaries and Benefits: | | | | |
| Salaries | 206,506 | 187,737 | (18,769) | 182,455 |
| Burden rate | 58,464 | 51,831 | (6,633) | 53,076 |
| Benefits | 25,896 | 25,680 | (216) | 24,440 |
| | 290,866 | 265,248 | (25,618) | 259,971 |
| Grounds Maintenance: | | | | |
| Landscape contract | 149,604 | 149,600 | (4) | 146,664 |
| Fertilization maintenance | 30,876 | 31,000 | 124 | 30,276 |
| Landscape | 83,202 | 75,000 | (8,202) | 62,100 |
| Sod and fertilizer | 18 | 7,000 | 6,982 | 746 |
| Irrigation contract | 19,200 | 19,200 | - | 20,400 |
| Aquatic services | 13,083 | 14,000 | 917 | 13,083 |
| Aeration maintenance | 411 | 400 | (11) | 663 |
| Sprinkler system | 6,291 | 5,000 | (1,291) | 13,429 |
| | 302,685 | 301,200 | (1,485) | 287,361 |
| | 2,330,409 | 1,746,419 | (583,990) | 1,633,192 |
| Excess of revenues over expenses | \$ 137,385 | \$ - | \$ 137,385 | \$ 100,099 |

Vista Plantation Association, Inc.
Schedule of Changes in Replacement Fund Balances
Year ended February 29, 2020

| Component | Beginning Fund Balance | Additions to Fund | Charges to Fund | Ending Fund Balance |
|-----------------------------|------------------------------|----------------------|--------------------|---------------------------|
| Roofs | \$ 853,610 | \$ 92,488 | \$ 2,247 | \$ 943,851 |
| Roads | 206,295 | 50,656 | 76,737 | 180,214 |
| Painting | (6,471) | 89,750 | - | 83,279 |
| Common area buildings | 22,252 | 6,106 | 20,429 | 7,929 |
| Common area restoration | (42,856) | 325,775 | 245,325 | 37,594 |
| Pools | 31,721 | 7,408 | 10,255 | 28,874 |
| Common amenities | 11,935 | 1,519 | 516 | 12,938 |
| Unrealized gains / (losses) | 1,466 | 350 | - | 1,816 |
| | \$ 1,077,952 | \$ 574,052 | \$ 355,509 | \$ 1,296,495 |

Vista Plantation Association, Inc.
Supplementary Information on Future Major
Repairs and Replacements (Unaudited)

In connection with preparing the budget, the Board of Directors conducted a study to estimate the remaining useful lives and the replacement costs of the components of common property. When applicable, estimates were obtained from licensed contractors who inspected the property. The following table is based on the study and presents significant information about the components of common property:

| Component | Estimated Remaining Useful Lives | Estimated Current Replacement Costs | 2020-21 Estimated Funding Requirements | Components of Fund Balance at 2/29/2020 |
|-------------------------|---|--|---|--|
| Roofs | 10 years | \$ 1,800,000 | \$ 86,500 | \$ 943,851 |
| Roads | 13 years | 875,000 | 54,000 | 180,214 |
| Painting | 5 years | 442,000 | 71,750 | 83,279 |
| Common area buildings | 7 years | 48,000 | 5,700 | 7,929 |
| Common area restoration | 1 years | 275,000 | 220,635 | 37,594 |
| Pools | 7 years | 82,000 | 7,400 | 28,874 |
| Common amenities | 6 years | 20,000 | 1,315 | 12,938 |
| Carports | 45 years | 2,425,000 | 53,889 | - |
| Unrealized gains | n/a | - | - | 1,816 |
| | | \$ 5,967,000 | \$ 501,189 | \$ 1,296,495 |

The 2020-21 funding requirement for major repairs and replacements is computed over the remaining useful lives of the components based on estimates of current replacement costs. Amounts previously accumulated are considered in determining the annual funding requirement. Members of the Association approved waiving funding of the carport reserves of \$53,889.